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Creating a customer-centric culture in the law-drafting process

- Initial stages of cultural transformation

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Laurea University of Applied Sciences
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Abstract

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Customer-centricity is an extensively studied topic and a continuous discussion topic both at practical business level and at academic level. This is because it is at the core of all successful businesses and operations. This thesis studies customer-centricity in a law-drafting context; how it is perceived as a concept, how it is absorbed and how it is implemented at a practical level contributing in successful operations.

The theme is topical because of two reasons. First, the media has recently raised the question of the quality of law-drafting on public discussions. Secondly, the theme links with the concept of legal design, which is booming globally as well as in Finland. In addition to topicality, this study brings a new, customer-centric perspective to the law-drafting context.

The focus of the study is on the work of the law-drafting working group of the Ministry of Economic Affairs and Employment in autumn 2016 when the working group drafted a new act on the development of regions and growth services. In the beginning of the study process, 12 members of the law-drafting working group were interviewed in order to reveal how customer-centricity is perceived and absorbed (mindset), and the working group was observed in order to reveal how customer-centricity is practiced (ways of action). The interviews and observations gave information and insights of the current state of customer-centricity and according to these, development needs and measures could be defined.

The interviews and the observations revealed that there is both a customer-centric mindset and ways of action in the law-drafting context. However, some elements seemed to be at a relatively abstract or at a light level. By developing these elements, the law-drafting process could be developed into a more customer-centric direction. The following three elements were revealed: customer involvement and the element of value co-creation, gaining of customer insight and adoption of customer perspectives. The first element was interesting but because customer involvement was not possible in the law-drafting working group, possible development measures regarding this element stayed beyond this thesis. Instead, the decision was made to take the second and the third element as targets for the development measures. As an instant development measure, personas, a service design tool were utilized for developing adoption of customer perspectives. As a development measure for a longer perspective, a workshop was arranged in order to ideate how capabilities and measures for gaining in-depth customer insight could be developed in the future.

Development measures followed the five-stage framework of Schmitt from which two initial stages (adopt customer perspective and gain in-depth customer insight) were possible to take within this thesis. Continuing development measures according to this framework would enable a creation of a customer-centric culture in a longer perspective. In comprehensive development and in conducting a change process, the eight-stage model of Kotter offers a valuable support.

Keywords: Customer-centricity, law-drafting, service design, legal design, organizational culture, change management.

Laurea-ammattikorkeakoulu
Leppävaara
Liiketalouden ylempi AMK-tutkinto

Tiivistelmä

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Asiakaslähtöisen kulttuurin luominen lainvalmisteluprosessissa – Ensimmäiset vaiheet kulttuurin muutoksessa

Vuosi 2018 Sivumäärä 87

Asiakaslähtöisyys on laajasti tutkittu aihe ja jatkuva puheenaihe niin käytännön liiketoiminnassa kuin akateemisella tasolla. Tämä siitä syystä, että se on menestyksekkään liike-elämän ja toiminnan keskiössä. Tämä lopputyö tutkii asiakaslähtöisyyttä lainvalmistelussa; miten se käsitetään konseptina, miten se on omaksuttu ja miten sitä toteutetaan käytännön tasolla siten, että se edistää menestyksekästä toimintaa.

Aihe on ajankohtainen kahdella tapaa. Ensinnäkin, media on viime aikoina nostanut esille lainvalmistelun laatukysymykset. Toiseksi, aihe linkittyy käsitteeseen oikeudellinen muotoilu, jonka suosio maailmalla ja myös Suomessa on kasvanut. Ajankohtaisuuden lisäksi tämä tutkimus tuo uuden, asiakaslähtöisen näkökulman lainvalmistelun kontekstiin.

Tutkimuksen kohteena on työ- ja elinkeinoministeriön lakityöryhmän työskentely syksyllä 2016, jolloin työryhmä valmisteli uutta lakia alueiden kehittämisestä ja kasvupalveluista. Tutkimusprosessin alussa 12 lakiryhmän edustajaa haastateltiin tarkoituksena selvittää, miten asiakaslähtöisyys on käsitetty ja omaksuttu (ajattelutapa) ja työryhmän työtä havainnointiin tarkoituksena selvittää, miten asiakaslähtöisyyttä toteutetaan käytännössä (toimintatavat). Haastattelut ja havainnoinnit antoivat tietoa ja ymmärryksen asiakaslähtöisyyden lähtötilanteesta, jonka perusteella kehittämistarpeet ja -toimenpiteet voitiin määritellä.

Haastattelut ja havainnoinnit osoittivat, että lainvalmisteluprosessissa on sekä asiakaslähtöisiä ajattelu- että toimintatapoja, mutta jotkin elementit näyttivät jäävän abstraktille tai kevyelle tasolle. Kehittämällä näitä elementtejä lainvalmisteluprosessia voidaan kehittää asiakaslähtöisempään suuntaan. Seuraavat kolme elementtiä löytyivät: asiakkaiden osallistuminen ja arvon luominen yhdessä heidän kanssaan, asiakasymmärryksen hankkiminen sekä asiakasnäkökulman omaksuminen. Näistä ensimmäinen elementti oli mielenkiintoinen, mutta koska asiakkaiden osallistuminen lakityöryhmän työhön ei ollut mahdollista, mahdolliset kehittämistoimenpiteet tämän suhteen jäivät lopputyön ulkopuolelle. Sen sijaan toinen ja kolmas elementti päätettiin ottaa kehittämistoimenpiteiden kohteiksi. Välittömänä toimenpiteenä käyttöön otettiin persoonakortit, palvelumuotoilun työkalu, jonka avulla voidaan kehittää asiakasnäkökulman omaksumista. Pidemmän aikavälin kehittämistoimenpiteenä järjestettiin työpaja, jossa ideoitiin, miten kyvykkyyksiä ja toimenpiteitä syvällisen asiakasymmärryksen hankkimiseksi voidaan kehittää tulevaisuudessa.

Asiakaslähtöisten kehittämistoimenpiteiden viitekehyksenä oli Schmitt'n viisivaiheinen malli, josta kaksi ensimmäistä vaihetta (asiakasnäkökulman omaksuminen ja syvällisen asiakasymmärryksen hankkiminen) oli mahdollista ottaa tämän lopputyön puitteissa. Kehitystyön jatkaminen tämän viitekehyksen mukaisesti mahdollistaisi asiakaslähtöisen kulttuurin luomisen pitkällä aikavälillä. Kokonaisvaltaisessa kehittämisessä ja muutoksen aikaansaamisessa Kotterin kahdeksan vaiheen malli tarjoaa hyödyllisen tuen.

Avainsanat: Asiakaslähtöisyys, lainvalmistelu, palvelumuotoilu, oikeudellinen muotoilu, organisaatiokulttuuri, muutosjohtaminen.

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1 Introduction

Customer-centricity is highlighted everywhere. However, it often seems to stay in an abstract level both in the private and in the public sector i.e. it is highlighted as a value but it is lacking customer involvement and other concrete measures at a practical level. For some organizations customer-centricity still means that products and services are developed *for* the customers, not *with* them. However, the last-mentioned is highlighted in service design domain. In the private sector, it is easy to understand that customer involvement needs to be taken seriously or its absence will have negative effects on business. In the public sector, customer involvement in service development processes has not been systematic until now when more attention to service design methods is started to get paid also there.

Customer-centricity is an extensively studied topic and a continuous discussion topic both at a practical business level and at an academic level. This is because it is in the core of all successful businesses and operations. However, because of its wide and complex nature as a concept, it is perceived, absorbed and implemented in various ways by different people, by different organizations and in different context.

This thesis studies customer-centricity in a law-drafting context; how it is perceived as a concept, how it is absorbed and how it is implemented at practical level contributing in successful operations. The theme is topical because of two reasons. First, the media has recently raised the question of weak quality of law-drafting (the draft government bills) on public discussion. Tight schedule is argued to be one of the main reasons generating problems in the law-drafting. In tight schedule, customer involvement in the form of hearing of stakeholders may suffer, thus causing lack of customer perspective and insights during the process. And shortcuts in customer-centricity during the process can be backfired; lack of customer-centricity during the process may lead to lack of customer-centricity in the outcome i.e. the act does not regulate and have impact on accurate issues, meeting genuine needs of the society and citizens.

Secondly, the theme is topical because it touches upon the theme of legal design which is booming globally – and also in Finland. In legal design, legal procedures and writings (agreements, draft laws etc.) are re-designed in a way that they are easier to understand and communicate. In this respect, it is close to the concept of information and communication design. Legal design utilizes elements of service design such as empathy and customer-centricity, contributing in a new way for successful business and operations. In the private sector, it has been realized that designing contracts and agreements in a new way will bring added value both for B-to-C and B-to-B relations. If contracts are easy and quick to read and to understand, both time and money is saved for all the business counterparts. A well designed contract can generate a good customer experience which again can generate greater customer loyalty, which again can generate more business revenue. In the public sector, this can mean a greater social impact, which again can generate more welfare, which again can lower social cost and generate more tax revenue.

In addition to topicality, this study brings a new, customer-centric perspective to the law-drafting context. Law-drafting processes have been developed across the years but mainly from administrative rather than customer-centric foundations. Also the current development measures - establishing a cooperative working group for improving law drafting, projects for the development of law drafting (establishing the council of regulatory impact analysis, deregulation and renewal of the guidelines for drafting government bills) and training for developing expertise in legislative drafting - highlight more of the administrative rather than customer perspectives (Lainvalmistelun kehittäminen, no date). Involvement and hearing of stakeholders have been developed by developing guidelines (Säädösvalmistelun kuulemisopas, no date). However, Pakarinen (2012, 81) notes in her dissertation that despite of long time development measures, involvement and hearing of stakeholders as well as impact assessments would need more development inputs.

Along with the boom of service design and legal design customer-centric perspective may get a greater attention in the law-drafting context. Therefore in addition to separate customer-centric development measures customer-centricity may get a more integral role in this context.

1.1 Study context

Legislative drafting processes can take several months or even years in large projects (Eduskunta, no date). A legislative process starts from an initiative – a bill - and ends in the enforcement and monitoring of an act as described in the figure 1. The whole legislative process is described in the chapter 2.2 in more detail. In that chapter, customer-centricity is reviewed from a horizontal perspective i.e. customer-centricity is reviewed in the whole legislative process starting from an initiative and resulting on the enforcement of an act, and discussed what it may mean in each phase and in this context as a whole.

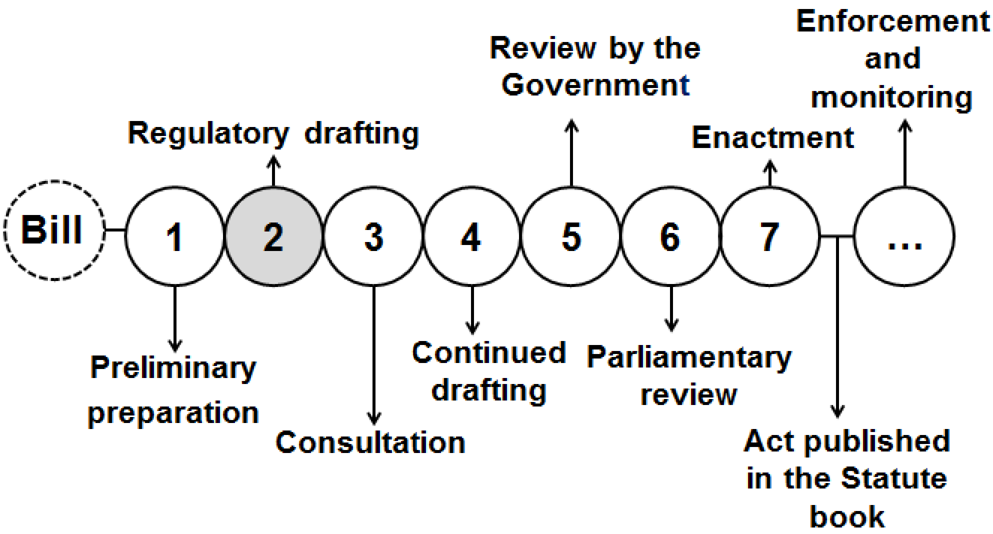

Figure 1: The legislative drafting process guide, a modified picture. The legislative drafting process guide (no date).

In addition to the horizontal perspective, this thesis takes a vertical approach i.e. this thesis studies one specific phase, the regulatory drafting phase marked by number 2 in the figure 1, and one specific case, the law-drafting project of the ministry of economic affairs and employment of Finland (later the MEAE) in Autumn 2016 when the ministry started drafting a new act on the development of regions and growth services. By this vertical approach, the aim is to deepen insights of customer-centricity in the legislative drafting context, to give a concrete example of what it may mean and how it could be developed and supported in one specific phase and a case.

This regulatory drafting phase lasted from September 2016 to February 2017. Under the study is the work of the MEAE law-drafting working group that was mandated for the legislative project.

1.2 Study challenge

As a continuum for the introduction and the study context, this chapter describes the study challenge of the thesis, which is condensed and framed as follows;

<u>Study challenge:</u> What customer-centricity means in the regulatory drafting phase? How the members of the law-drafting working group perceive and absorbe customer-centricity (mindset) and how they practice customer-centricity (ways of action) during the regulatory drafting phase?

This thesis argues that customer-centricity is still at a relatively abstract level in the public sector, as stated already in the introduction. This thesis continues arguing that there are customer-centric mindset and ways of action in the law-drafting context, but not necessarily a customer-centric culture yet i.e. there are some separate customer-centric measures for developing law-drafting into a more customer-centric direction but the customer-centric perspective does not have an established role in this context.

In order to credit or discredit the argument, interviews of the members of the law-drafting working group were conducted (mindset) and their practices (ways of action) in the law-drafting working group were observed.

Depending on the findings of the interviews and observations i.e. findings of the level of the customer-centricity among the working group, the next measures were considered. The findings revealed which elements needed to be developed into a more customer-centric direction, in what extent and by which methods. As theses of universities of applied sciences usually include a development aspect, so does this one by aiming at revealing elements that could and should be developed (designed) into a more customer-centric direction. Therefore the development challenge was as follows;

<u>Development challenge:</u>
How the law-drafting process could be developed into a more customer-centric direction? Which elements need to be developed (if the level of customer-centricity is low) or supported (if the level of customer-centricity is high/customer-centric culture already exists), in what extend and by which service design methods?

As this thesis is part of service innovation and design master’s degree program of Laurea university of applied sciences, service design perspective, methods and tools were of essence and used for developing and supporting customer-centricity in the study case.

The figure 2 summarizes and visualizes the study and development challenges as well as the methods used. The figure describes the double diamond design model - developed by the Design Council - which gives a framework for conducting development projects (Design Council, 2018). Tschimmel (2012, 9) writes that this model is also called 4D model because of its four phases that all start with a D; discover, define, develop and deliver. This model may seem linear but design projects usually include several iteration phases and are therefore nonlinear by nature (Stickdorn 2010, 122).

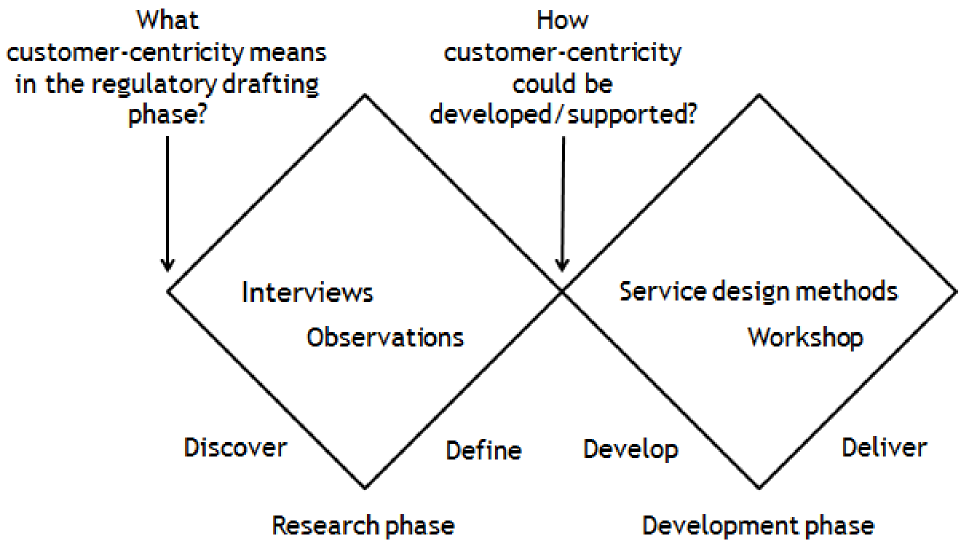

Figure 2: Summary of the research and development challenges of the thesis.

The figure 2 visualizes that this thesis begins with a study question or a challenge, continuing in discovering and defining the issue at hand (research phase), making a design brief in the middle of the double diamond and defining a problem to be solved or an issue to be developed, then continuing in developing the issue and finally delivering some ideas or prototypes for testing (development phase).

In the research phase, methods used were interviews and observations and in the development phase, a relevant service design tool (personas) was used for instant development purposes, and a workshop was arranged in order to further develop ideas for developing customer-centricity both at project and at organizational level in future.

2 Review of customer-centricity in the study context

When studying customer-centricity, it is essential to define the customers first. However, in the legislative process context this can be challenging. The following two issues also indicate that the concept of customers in this context is wide. First, both a horizontal and a vertical perspective – discussed in the chapter 1.1 - indicate that there is a variety of customers for the ministry in charge of a legislative project. Secondly, worth noticing is that the legislative process – in the figure 1 – was visualized as a linear and a simplified process and in reality iteration phases and complexity may increase and give more variety to definition of customers.

The ministry mandated for a legislative project serves the following quarters when it conducts a law-drafting assignment: a) the minister and the council of state i.e. those who decide on submitting the government bill to the parliament and are therefore responsible for the government bill, b) the parliament and the members of the parliament i.e. those who decide on the approval of the law, c) the authorities responsible for the implementation i.e. agencies under the ministries and regional as well as local governments, d) the courts i.e. those who provide legal protection in individual cases, and e) private people – citizens – and companies i.e. those whose life, living surroundings and operations are affected and enacted by the law. All these customers and perspectives are important in the legislative process context. However, there is the concept of norm addressee in legislation which is used to describe the objects of legislation, and this thesis argues that these objects should be the main customer group for a legislative body. These objects may vary depending on the legislation case but often these are citizens or group of citizens.

When studying customer-centricity, the next essential matter is to define the concept of customer-centricity itself. The Cambridge dictionary gives the following definition for the word:

<u>Customer-centric:</u> “Designed to keep customers happy by finding out what they want and dealing with their problems quickly” (Cambridge dictionary , 2018).

In this definition words “happy” and “finding out” are of interest because they describe the essence of customer-centricity; the aim is in customer happiness and in order to reach that, the real problem or the need of the customer needs to be find out. Schmitt (2012) for example writes about happy customers and actually takes the concept of customer experience into a next level by writing about customer happiness.

The definition of customer-centricity above also highlights that the problem needs to be solved quickly. However, this may not be the most desired and rational option in all customer service cases. If quickness in dealing with the problem is highlighted too much, enough time may not be paid in finding out the real problem, in asking five times “why?” and revealing the root of the problem (Bulsuk, 2009). This may lead in dealing with a wrong problem quickly.

There are several definitions of customer-centricity in the academic literature from which the definition made by Lucas (2012, 42) is worth taking here as an example as it captures well some key elements:

<u>Customer-centric:</u> “A term used to describe service providers and organizations that put their customers first and spend time, effort, and money identifying and focusing on the needs of current and potential customers.” (Lucas 2012, 42).

In this definition words “customers first” and “the need” are of interest and a good notion for any organization that they should put their customers and their needs in the core of their actions. Time, effort and money should be spend in identifying changes in consumer behavior and customer need (current customers) as well as finding new signals, trends etc. (potential customers).

In the legislative process context the formulation “customers first” is interesting. As described earlier, there can be a variety of customers for a ministry mandated for a legislative project and. However, when the norm addressee (the object of legislation) is considered as the main customer, the other customers could be considered and named as stakeholders to differentiate these different customerships. Thus a formulation “customers first – stakeholders second” becomes interesting in the legislative process context.

In the core of the concept of customer-centricity is the importance of understanding the customer, their problems and needs. When services are not developed for the customers but with them - co-created - customer need is understood better, solutions for real problems are found faster and the solutions have more impact (Brown 2009, 62). Co-creation also increases co-ownership which in turn can result in increasing customer-loyalty and a long-term engagement (Stickdorn 2010, 39). In public services the concept of loyal customers can be slightly problematic as customers may not have a freedom to choose from public services. However, it remains to be seen how the planned regional government reform may change this as the administration has in this reform a willingness to enable a freedom of choice and a multiple service provider model.

It is important to consider how customers could be involved into the processes of a company or an administration, but as important would be to consider it the other way around; how a company or an administration could take part in the processes of customers or citizens. In addition to the public, private and third sectors, there is a new fourth sector developing fast. Mäenpää, Faehne and Schulman (2017, 252) introduce a concept of the fourth sector and by this they mean an active network of citizens who pro-actively take measures to change their living surroundings in city environments. For the fourth sector, actions and movement are more important than forming of an organization. This sector should be considered as an important customer group – or perhaps not as a customer but as an equal operator and an operator in multiple roles; as a co-producer, co-developer etc. of public services (Faehnle, 2015). Instead of considering how to involve this sector into administrative processes, the administration should consider how to involve itself to the processes of the fourth sector. This requires a new customer-centric mindset for developing - and co-creating - public services with the variety of customers, citizens and operators.

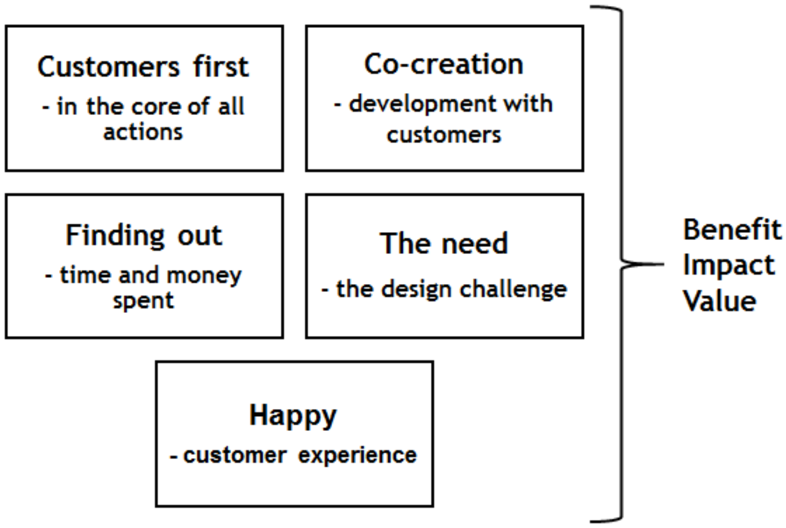

Figure 3: Summary of the key elements and the aim of customer-centricity, revealed by the literature review.

The figure 3 summarizes the key elements of customer-centricity reveled by the literature review; customers first (in the core of all actions), co-creation (development with customers), finding out (spending time and money in revealing the design challenge), the need (the real problem or the real design challenge) and happy (developing customer experience). The figure 3 also visualizes the aim of customer-centricity (benefit, impact and value). Worth noticing is that customer-centricity itself is not the aim but what could be gained by it i.e. what could be achieved if something is done in a more customer-centric way. The aim of customer-centric actions is the benefit, impact and value both for the customer and the service provider. As Vargo and Lusch (2014, 57) say: “Value is benefit, an increase in the well-being of a particular actor.” For example, a customer has a need to get a job or to get his or her business to succeed (also of interest of the MEAE). The better a service provider understand a customer’s attitude, intention and behavior the better services it can be provided (Brown 2009, 177). From a customer perspective the value, benefit or the impact becomes through a new job or a business opportunity which increases his or her personal well-being, and from a public sector perspective the value, benefit or the impact becomes through increased tax revenues which enable sustainable economic growth, social impact and national well-being.

Customer-centricity is also highlighted in the Finnish government program for 2015-2019 which gives background for this study (Valtioneuvosto, 2015). As customer-centricity was one of the key principles for the state administration, it was also that for the MEAE when it started renewing legislation as part of the planned regional government reform. The reform was planned to be launched in the beginning of the year 2019 (later this was re-scheduled for

2020), bringing 18 autonomous counties in Finland and therefore bringing a need for renewing legislation as well as administrative and operational models.

The following chapters continue on reviewing customer-centricity from different perspectives in order to give the study a theoretical framework.

2.1 Customer-centric mindset

Vargo and Lusch (2014, 66) write that all economies are service economies. This is actually one of the premises (FP5) in their theoretical framework of service-dominant (S-D) logic. The following figure 4 describes the service-dominant logic and the key axioms and premises in it. In this theory, a service is the fundamental basis of exchange (Axiom 1), the customer is always a co-creator of value (Axiom 2), all economic and social actors are resource integrators (Axiom 3) and value is always uniquely and phenomenologically determined by the beneficiary (Axiom 4).

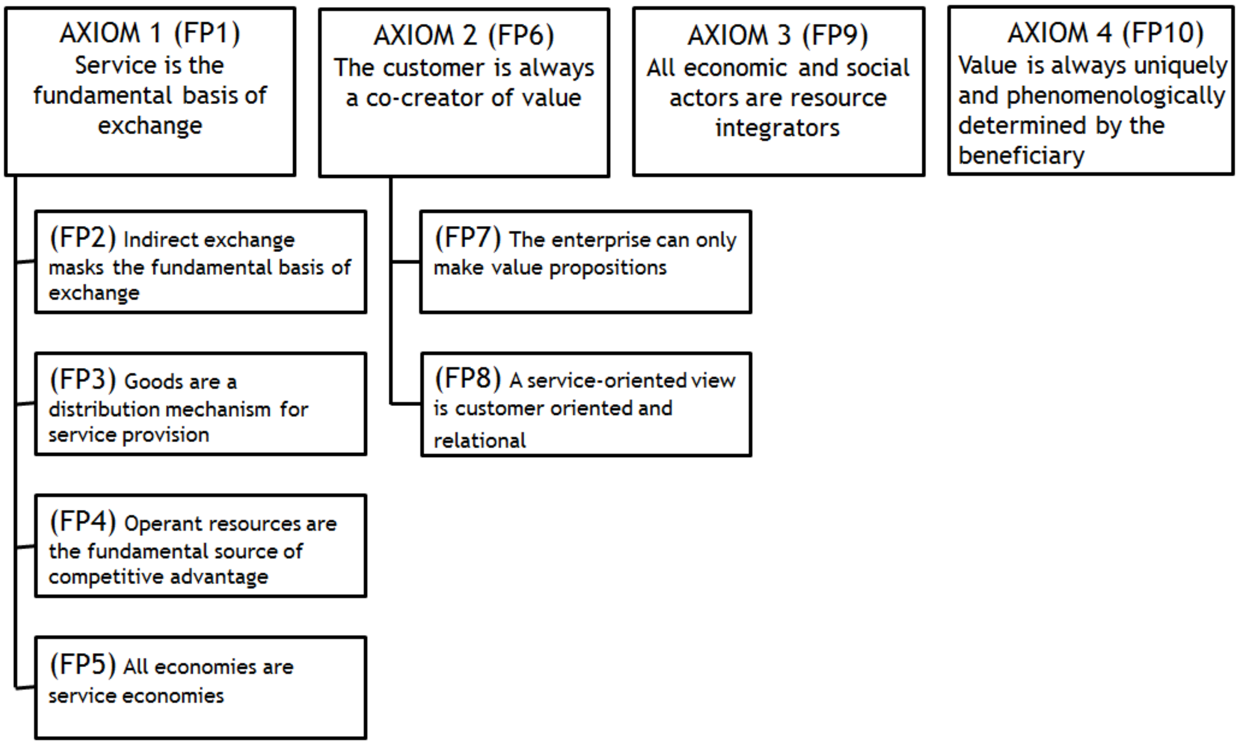

Figure 4: Axioms and foundational premises of S-D logic. Vargo and Lusch (2014, 54).

Vargo and Lusch (2014, 66-67) continue to credit the argument and the foundational premise 5 that all economies today are service economies. They write that we are used to describe and define different eras or economies in the past according to the knowledge and skills required, for example the hunter-gatherer economy by refinement and application of foraging and hunting, the agricultural economy by development and refinement of cultivation, the industrial economy by refinement of mass production and organizational management, and the information economy by refinement of information and its exchange. Vargo and Lusch continue that these economies could also be defined according to their manufactured output - however, most nations have entered into a non-manufacturing and thus into service economies (2014, 67).

Pine and Gilmore (2011) take the concept of service economy further by introducing the concept of experience economy. Adoption of this new concept and a mindset could make a huge difference. For the customers this could mean a greater service experience and for the companies this could mean increased revenue as discribed in the figure 5. For example, a coffee shop that only concentrates on selling coffee (in a commodity or a product business) gets less profit than a coffee shop that also focuses on services (in a service business), but a coffee shop that refines every detail related to a customer's coffee drinking situation (in an experience business) gets even higher profits.

Commodities	**Goods**	**Services**	**Experiences**
Coffee	Nescafé	McDonald's	Starbucks

18 cents → $ 2.25

Figure 5: The experience economy. Pine and Gilmore (2011, 2).

Adoption of the concepts of service economy and experience economy enable a more customer-centric mindset both in new business domains and in the public sector. If the public sector would consider itself being in the experience business, offering experiences instead of services, what would it mean? Would it mean that the concept of empathy is understood, adopted and practiced in a new way in service co-creation and in service delivery? Would it mean that in service situations someone is faced as a human being and not as a customer – or a target or an object of actions? Would this mean improved social impact, increased tax revenues and decreased social cost?

When everything is considered as a service – also administrative measures - there will be a new service-oriented and a customer-centric mindset. This refers to the foundational premise 8 in the theory of Vargo and Luch (2014, 54) described in the figure 4. Everything as a service

(XaaS) is especially highlighted in the computing domain, but this mindset is getting adopted in other domains as well (for example Burns 2012, 28-30; Using XaaS: Everything as Service 2015).

In the public sector, there are indicators of this kind of change in the mindset. For example, when plans for the regional government reform were introduced, administration was described as a service as visualized in the figure 6.

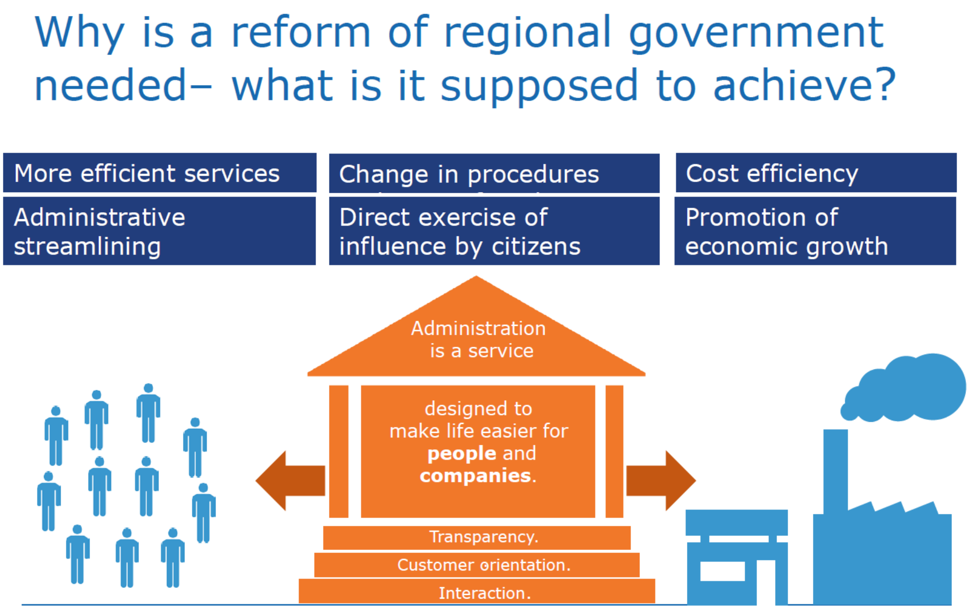

Figure 6: Why is a reform of regional government needed – what is it supposed to achieve? Valtioneuvosto (2016).

The figure 6 visualizes administration as a service; it is designed to facilitate and to make life easier for the citizens. The figure also visualizes that the reform aims at administrative streamlining, more efficient services, change in procedures and direct exercise of influence by citizens as well as cost efficiency and economic growth. Administrative measures towards these aims could be seen as services, and not only for the citizens but for the nation as a whole. One of these administrative measures the ministries have is legislation. The following chapter will discuss whether or not legislation could be seen as a service and if so, what would it mean; would it increase a service attitude in the law-drafting and along with it, would it increase a customer-centric mindset?

2.1.1 Law-drafting is a service

According to the Finnish constitution, legislative power is vested in the parliament, in conjunction with the president. A legislative bill is - officially - drafted by the government and - in practice - prepared by the ministry responsible for the matter in question. The government, other public organizations and officials can be seen forming the “administration”, and as stated in the chapter 2.1 “admistration is a service”. However, it could be argued that the administration itself is not a service but administrative measures, and one of the administrative measures the Finnish ministries are mandated for is the law-drafting. Therefore the law-drafting as an administrative measure could be seen as a service. The following theoretical reasoning is to further support the argument that law-drafting is a service.

The most fundamental support for the argument is given by Vargo and Lusch (2014). Their definition of a service as “a process of one actor doing something for another” indicates that every action is a service which could be slightly misleading – however, they continue defining the word by writing that a service implies to “a process of one actor doing something for another, a beneficiary” (2014, 12). They also define the word as “an application of competences (knowledge and skills) for benefit of another entity or the entity itself” (2014, 12). Both of these definitions include the word “benefit” which is of essence. This is because also some actions - for example obstruction – are also actions but instead of benefitting they harm the other counterpart. These definitions also indicate that there does not have to be exhance of money like the business definition of the word service suggests - or exchange of goods, or service-for-service exchange like Vargo and Lusch suggest (2014, 10-11) in their theoretical framework of service-dominant logic. A service can therefore be something that is given or done for someone to benefit her or him without getting something, a benefit, back.

The law-drafting is an action that benefits the society and its citizens. It gives strict guidelines for an issue it enacts about, and is therefore of essence in increasing security and reliability for operations. In addition to separate individuals, the legislation benefits the whole society because without it, the society might be insecure or even chaotic. By providing legislation, the administration may not seek for direct counter service from the citizens or the society. An indirect counter service, however, could be a well functioning system where citizens and the whole society is wealthy, the welfare goes around, benefiting the administration by decreased social costs or increased tax revenue. The administration has the monopoly for conducting the law-drafting and by doing the task it serves the nation and its citizens.

The figure 7 visualizes the argument that the law-drafting is a service as it is “a process of one actor doing something for another, a beneficiary” as mentioned earlier. In the figure, the law-drafting process and the outcome (the act) could both separately be seen as a service – or the process and the outcome could form a service as a combination. The figure also visualizes the variety of customers who benefit from this service. Worth notizing is that the figure is simplified and there are many more customers for the administration in reality, for example, politician quarters or the management from whom a law-drafting assignment can be taken.

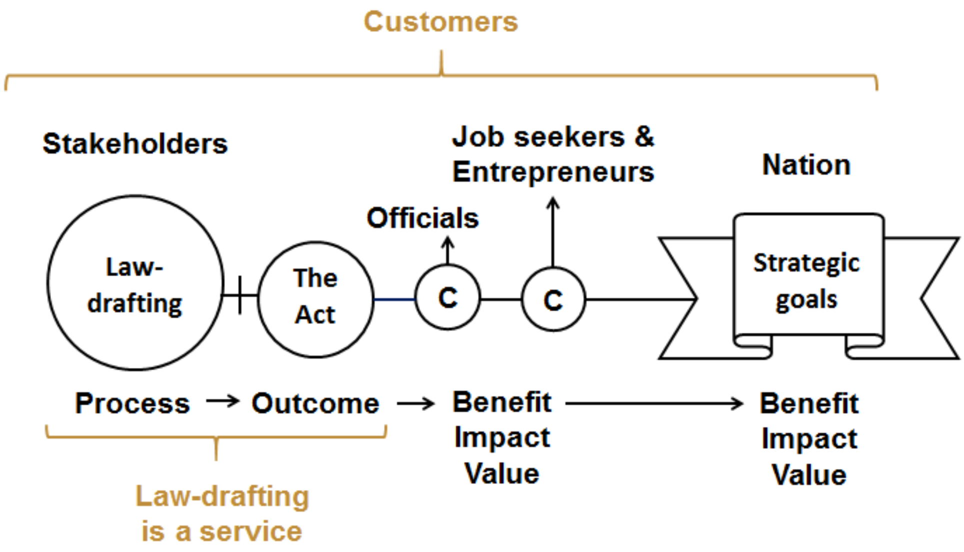

Figure 7: Law-drafting is a service.

As seen in the figure 7 the concept of customers is wide in this study context and could be reviewed at four levels; on one hand customers of the process 1) stakeholders i.e. interest groups who participate in the process in hearings and by giving proposals for comments on the draft act, on the other hand the customers of the outcome 2) officials in the upcoming counties who use the act as a manual for organizing and producing the growth services. In addition to this and in a longer perspective there are customers – 3) job seekers and entrepreneurs – who are so called end-customers and to whom the enforcement of the act effects on. The law-drafting also has strategic goals on influencing national competitiveness and economic growth and therefore the fourth customer group could be 4) the nation as a whole. Worth noticing is that here the law-drafting process is visualized as a linear and a simplified process and in reality iteration phases and complexity may increase and give more variety to definition of customers. For example, a legislative project is commissioned by the parliament and therefore the ministry in charge of the legislative project serves the parliament as one of its key customer groups. Also courts of justice may use the outcome of the process, the act, as a manual or a legal instrument and are therefore a customer group. More customers and customer groups can be found when interviewing and conducting a comprehensive study on the issue.

Reviewing the figure 7 from the benefit, impact and value perspective gives the following notions: law-drafting benefits 1) stakeholders because it is in their interest that the act has the best possible impact on the issue it enacts about 2) officials because the act gives guidelines for organizing and producing employment and enterprise services in future 3) job seekers and entrepreneurs when the act enables improved services and service systems 4) the nation when people and enterprises are able to pay taxes which generates economic growth and welfare.

The figure 8 visualizes that legislation and the law-drafting can also be seen as one part of the whole service system. In the figure, the customer is set in the center, highlighting customer-centricity. The next layer around the customer is for the services and service providers. The outermost layer consists of elements that support the service production and thus forms the service infrastructure layer. Legislation is one enabling and supporting element for providing growth services. All these layers end elements may have an effect on the whole user experience (UX) which is in the core of service provision and design.

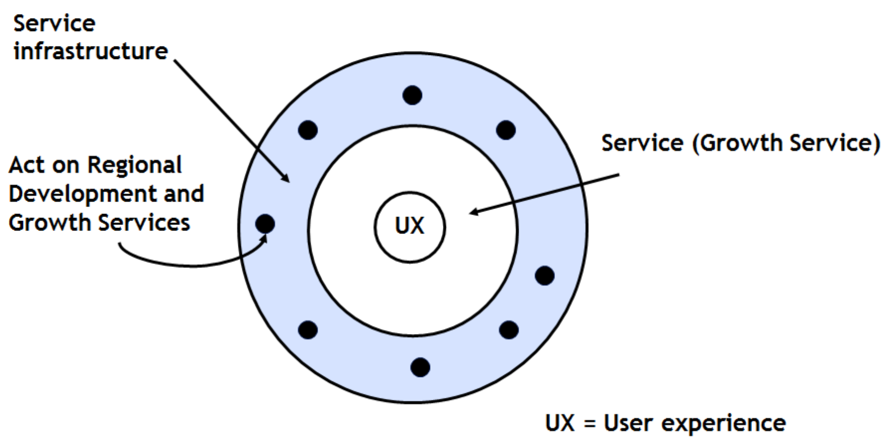

Figure 8: Legislation as part of the whole service system, enabling and supporting service production and effecting on user experience.

The figure 9 continues to visualize that legislation and the law-drafting is a service – or one part of the whole service system. The figure is a simplified and customized service blueprint used in business. Service blueprints assist in understanding how customers see and experience the service. The figure 9 does not aim at visualizing the whole process of service production but at highlighting the issue that legislation enables and supports the service procuction and is thus one element of the whole service system.

Physical evidence	Website	Phone	Email	Face-2-face
Customer actions				
(Onstage) service provider actions				
(Backstage) service provider actions				
Support processes		CRM, legislation etc.		

Line of visibility

Figure 9: A simplified and customized service blueprint, visualizing legislation as part of the whole service system, enabling and supporting service production.

The figure 9 visualizes that legislation is part of support processes and customers do not see this because it lies behind the line of visibility. Legislation may not be seen as a direct service but as an internal service in administration or as an enabling and a supportive action and a service, benefiting the comprehensive service system.

2.1.2 (Public) Service-Dominant Logic

Adoption of a mindset that considers legislation as a service may not be widely diffused in the law-drafting context. Adoption of the service-dominant logic introduced in the chapter 2.1 could assist in changing the mindset and thus be one step towards more customer-centric services and legislation – and improved social impact and welfare which is the final, strategic aim for the administration. The following discussion is to support this argument.

In addition to service-dominant logic introduced by Vargo and Lusch, worth reviewing is the public service-dominant logic introduced by Osborne, Radnor and Nasi (2013) which focuses on the services and value creation especially in the public sector. Osborne et al. (2013, 138) argue that in the public sector the product or goods-dominant logic (G-D) is still a more dominant perspective than the service-dominat logic (S-D). One essential difference between these two logics is in the way how value is seen to be created: in G-D logic value is created for the customers and in S-D logic value is co-created with the customers. Osborne et. al (2013, 136) add that public services are not “products” but “services”. They continue arguing that the public sector would benefit if it absorbed the service-dominant logic and a new mindset: that adoption of service-dominant logic could increase service user satisfaction, improve service provider motivations and enhance financial performance (Osborne et al. 2013, 147).

This new public service-dominant logic includes four propositions (Osborne et al. 2013, 149). In the first proposition, customers are essential stakeholders of public policy and public service delivery processes and their engagement adds value in these policies and processes. This proposition is in line with the idea of Vargo and Lusch about value co-creation. Second proposition suggest on taking a marketing approach which can turn strategic intent of public services into service promises, which again can affect positively on customers' service expectations. This marketing approach can also assist in developing trust among customers and the service delivery staff. In the third proposition, an effective public service design and service delivery sets the customer and his or her experience and knowledge in the center of actions and co-production becomes an inalienable component. This proposition is a reminder for the public sector that not all information and customer insight can be gathered though reports, statistics etc. but through dialogs and co-creation with customers where service design methods can be of valuable assistance. Fourth proposition suggest that operations management in the public sector needs to adopt the public service-dominant logic because otherwise public services will be efficient but not effective.

Osborne et. al (2013, 149) admit that there are some challenges and limitations in adopting elements of service-dominant logic from the private sector to the public sector. First, a service logic can be different when a service performance is measured by profits (in the private sector) or by social impacts (in the public sector). Secondly, overcustomizing services may be a desired aim in the private sector but not in the public sector as it may lead to increased public spending. Osbournes concern may be relevant in some cases but on the other hand there can also be cases where (over)customizing has not increased public spending because of intensified cooperation between officials, joint resources and also cooperation with the customers. Thirdly, the co-production aspect - a central element in the service-dominant logic - has some challenges in public services. The public service system as a whole may include elements and service moments that cannot be co-produced with customers. For example a situation where a professional expert takes measures for a customer, and this specific service moment cannot be co-produced – however, the whole service (chain) can be seen as co-producted with the customer. To give another example, in e-services a customer may only insert data and press "enter" which is her or his input in the service production. Naturally these two above mentioned examples are relevant also in the private sector. The following example describes perhaps best these challenges and limitations that co-production has in the public sector: a case of prison services where the customer is unwilling or forced to use public services.

2.2 Customer-centric legislative process

This chapter reviews the whole legislative process (figure 1 in the chapter 1.1.) and discusses what customer-centricity may mean in each of its phases. The wording “may mean” is used here because of the following three reasons. First, the review of the legislative process is very general by nature in this chapter. The study focus of this thesis is not in the whole legislative process but in one of its phases. Also worth noticing is that the legislative process model described in this chapter is only a guideline and a framework for conducting a legislative process, and in practice processes may vary depending on a case and circumstances.

Secondly, the review of customer-centricity is more general by nature in this chapter. Later in this thesis a deeper review of customer-centricity is made while one specific case (the law-drafting project of the MEAE) is studied. The study focus in this thesis is vertical i.e. this thesis studies one specific phase of the whole legislative process, the regulatory drafting phase marked by number 2 in the process model, and one specific case, the law-drafting project of the MEAE. However, in order to better understand the whole context and what customer centricity may mean in it, this chapter gives a horizontal review where customer-centricity is also reviewed in the whole legislative context (in a process starting from an initiative and resulting on the enforcement of an act).

Thirdly, the concept of customers is complex in this context which causes challenges for the whole study as well as for the review in this chapter. In different phases of the legislative process customers may be different, and this should be taken into account when considering customer-centricity in each phase and a case.

A legislative process starts by a legislative drafting initiative (a bill). As discussed earlier in the chapter 2, “finding out” and “the need” were realized as essential elements of customer-centricity and in the first, initiative phase a customer need has been found out or brought forth either by customers or by some other quarters. The citizens may take an initiative themselves and in that way express a need for a new legislation or for a renewal or a change of a law in force. The initiative can also be done by the following (mainly administrative) quarters; an initiative can be led from the statements of the government programme or from a government draft budget necessitating legislative amendments, it can be a commencement of drafting of an EU instrument requiring national implementation, judgments of the European court of justice or interpretations of the commission, an initiative of stakeholders or authorities responsible for implementation or a ministry’s own initiative on the basis of studies or reports, or the monitoring of implementation and impacts (Initiative, no date).

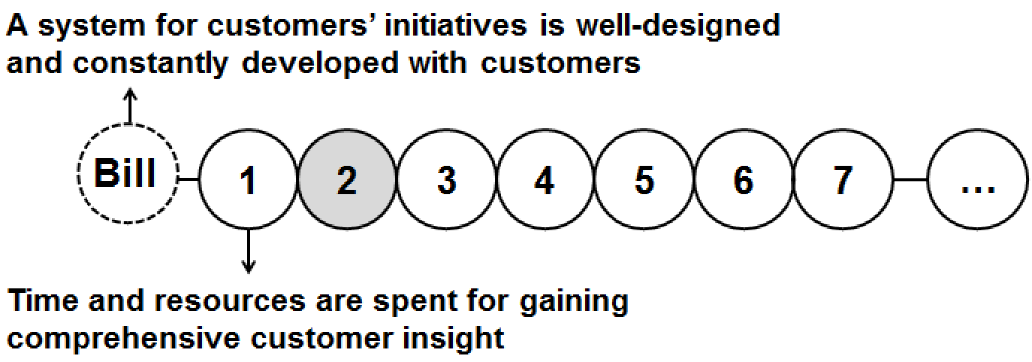

Figure 10: Examples of customer-centricity in the initiative phase and in the phase 1 of the legislative process.

The figure 10 visualizes the beginning of the legislative process i.e. the initiative phase and the phase 1, and gives examples of customer-centricity in these phases. In the initiative phase, customer centricity could mean the following things. First, a legislative process is customer-centric when it has a system and a possibility to give feedback of what works and what not i.e. a system and a possibility for customers to take an initiative for a law-drafting project, to express a customer need, to make a service suggestion. Secondly, the systems should be customer-centric i.e. the system should be smooth, easy to use, well-designed etc. One example of taking initiative is on-line services (Lausuntopalvelu, no date). Thirdly, customer-centricity could mean that these systems and services are tested and developed regularly with customers.

In the next phase, marked by number 1 in the figure 10, a careful study and evaluation of the need to launch a legislative project is made. This phase is called the preliminary preparation phase and it can be accomplished as a part of the ministry's ordinary official duties or a separate preparatory body may be appointed. Preliminary preparation concludes in the launch of a legislative project or a decision not to initiate a legislative drafting. (Preliminary preparation, no date).

Making of an evaluation, a cause and an effect studies and analysis is especially challenging when the issues at hand is wide and complex, and concerns making a totally new administrative system as in the case of regional government reform and renewal of legislation related to it. A new administrative system needs to be carefully outlined and even in detail before an impact analysis can be made. This may require a long time and therefore – if compared to a service design process in the private sector – a legislative process may differ from a regular service design project where process cycles are usually shorter. Fast changing business or operational environment is naturally worth taking into account in the legislative context too and if a law-drafting process lasts long, a re-examination of the need for legislation, impacts and other issues of considerable relevance are worth considering.

In the phase 1, customer centricity could mean the following things. First, enough time and resources are spent in studying, understanding and evaluating the customer (citizens or administrative quarters) need and in gaining a comprehensive customer insight. Here customer-centricity requires a comprehensive understanding of both macro and micro economy i.e. understanding of drivers and motivations for actions at practical level as well as impacts of those actions at macro level.

The phase 2, the regulatory drafting phase, is the study and development focus of this thesis and therefore it is studied and described in more detail later. However, a brief review into this phase and what customer-centiricty may mean in it is also made in this chapter.

When a decision of launching a legislative process is made in the phase 1, the ministry in charge of the subject matter gives the mandate for the legislative project either to a working group consisting of its own officials or to a separate preparatory body when broader-based participation is warranted. According to the process description the regulatory drafting phase is conducted as follows; the preparatory team takes the law-drafting assignment, studies the material got from the previous preliminary preparation phase, expands the material and examines it in detail, reviews legal issues relating to the constitution and other legislation, makes alternative solutions and impact analyses for the matter in question, arranges stakeholder consultations, drafts the text and rationale for the legislation, and in the end of this phase sends the draft government bill for circulation of proposals for comments to stakeholders (Regulatory drafting, no date). The regulatory drafting phase often contains most of the work load and therefore takes time, typically several months.

In the phase 2, customer-centricity could mean the following things. First, listening of customers (stakeholders) early in the process and during the process, getting their comments and feedback, and having a dialogue with them. Secondly, making impact analyzes carefully, studying customer (citizens or administrative quarters) need, and understanding cause and effect relations as well as impact of measures. Later in this thesis customer-centricity in this phase will be studied in more detail.

In the phase 3, called consultation phase, the draft act is sent for circulation of a proposal for comment. Here, customer-centricity could mean the following things. First, a process is customer-centric when it has a system and a possibility for customer (stakeholder) feedback, comments and a dialogue with the administration. Secondly, a customer-centric system - in the form of hearings and consultations – should be smooth, easy to use, well-designed etc.

Worth noticing is that although the word “listening” here has a connotation to a one-way dialogue, listening in the form of hearings and consultation often includes two-way dialogues. However, this raises some questions regarding the concept of co-creation. In service design the concept of co-creation is essential because it is a customer-centric method and increases value both for customers and service providers. Is a service (a law-drafting process) co-created with customers (stakeholders) when listening in the form of hearings and consultation is arranged? This would be an interesting question and a theme (co-creation in the legislative process context) for further discussions and studies.

Thirdly, customer-centricity in the phase 3 could mean that the system of listening is developed with customers. The ministry of justice has taken some measures in this regard (Säädösvalmistelun kuulemisopas, no date). Defining of customers here – as well as in each phase – is naturally essential, and internal customers in administration are also relevant. A lot of service development measures are also taken also within the administration in order to better serve external customers of the administration. The concept of customers is discussed more in the chapter 3. Next, the figure 11 visualizes the phases 2 and 3 and gives examples of customer-centricity in these phases.

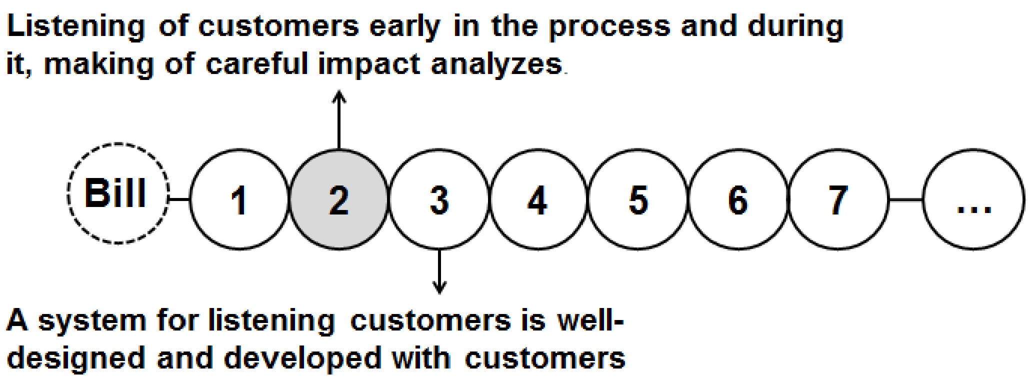

Figure 11: Examples of customer-centricity in the phases 2 and 3 of the legislative process.

After the consultation phase, the act will be further drafted in the phase 4. Special attention is paid to the linguistic accuracy, comprehensibility, preciseness and consistency of the draft act (Continued drafting, no date). In the phase 4 as well as in other phases, there may be several examples of customer-centricity but the following gives one interesting example. This notion concerns legal texts which may be customer-centric. Haapio (2013, 58) writes of criteria for a good document. The content, structure, language and design of a document need to be carefully considered, and to test a document (how customer-centric it is), one can ask a customer, how well and fast she or he can take actions after reading the document, what she or he actually knows and feels after reading the document. “Time is money” at least in business - but also in the public sector as slow procedures may cause ineffectiveness.

The next phases in the legislative process are review by the Government (phase 5), parliamentary review (phase 6), enactment (phase 7) and enforcement and monitoring. Compared to the other phases, these phases may seem more technical by nature and thus review of customer-centricity in these phases may seem challenging – or easier if these phases are considered to include many actions, and developing any actions into a more customer-centric direction would mean that these actions are designed to be easier, quicker, smoother, more effective etc. and value is co-created with customers. Service design methods can offer valuable assistance in these development measures in this phase as well as in the other phases (see for example Schneider and Stickdorn 2010, Ogilvie and Liedtka 2011, Curedale 2013).

To conclude this chapter, a comparison between a legislative process and a service design process is interesting to make. In this chapter a legislative process is described as a linear process, however in practice it may not be that linear containing similar iteration phases as service design processes usually do.

The figure 12 visualizes a comparison between a legislative process and a service design process. The Design Council has developed a framework, the double diamond model, which gives assistance in conducting service design processes (Design Council, 2018). This double diamond is drawn over the legislative process model and marked in turquoise color in the figure 12. In the beginning of a service design process a development theme is recognized – or in a legislative process an initiative is taken for a legislative project. In the figure 12, a service design process could be seen starting in the beginning of the phase 1.

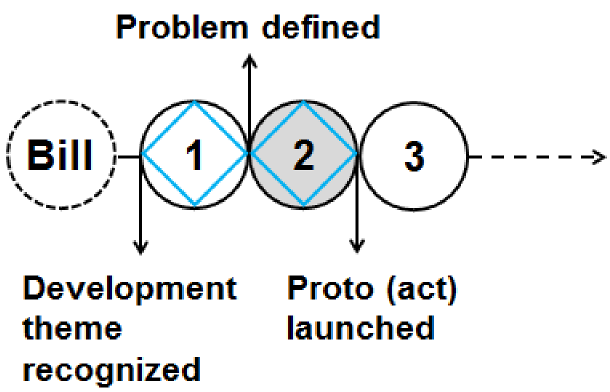

Figure 12: Comparison between a legislative process and a service design process.

In the phase 1, a careful study and evaluation of the need to launch a legislative project is made. The initiative (the bill) is evaluated, information accumulated and insight formulated i.e. the development theme is discovered and defined. Tschimmel (2012, 9) writes that the double diamond service design model can also be called 4D model because it includes four phases all starting with a letter D; discover, define, develop and deliver.

In the end of the phase 1 a decision to either launch or not to launch a legislative project is made. If a legislative project is decided to be launched, the customer need is crystallized and a design problem defined in the middle of the double diamond model.

The phase 2, the regulatory drafting phase, includes the following two letter “Ds”, measures for development and deliver. Development measures here could mean that alternative solutions for the issue to be resolved are made and also assessment of the impacts of these alternatives is made. In the end of the this phase and in the end of this second, turquoise diamond, a draft act and rationale for the legislation in the form of a draft government bill (a photo of the service) is sent for customer testing, for circulation of a proposal for comment.
The service design process does not end at this point. After the phase 3 drafting of the act (development measures) continues and in this respect the legislation process is similar with service design processes, consisting several iteration phases. In practice the draft act has been sent for comments already before the phase 3 which increases the amount of iterations.

In addition to above mentioned comparison between a legislative process and a service design process, a comparison between hackathons (design events that last couple of days) and legislative process is interesting to make. The phase 2, the regulatory drafting phase, and hackathons both start with a defined problem or a design challenge. However, they differ in two ways. First, hackathons last couple of days whereas regulatory drafting may take months. Secondly, in hackathons participants may be invited with an open invitation whereas a mandate for conducting a legislative project cannot be given for a wide range of participants and with an open invitation. Only the ministry in charge of the subject matter can be mandated to conduct it, and the ministry can take the assignment itself or it can appoint a separate preparatory body for the assignment. “The mandate is given to a separate preparatory body when broader-based participation is warranted. The preparatory body can be e.g. a committee, a commission, an advisory board, or a working group and consist of stakeholders, representatives from other ministries, experts in the field question, and political decision-makers” (Regulatory drafting, no date). Either conducted as part of the ministry’s ordinary official duties or by a separate preparatory body, experts of various subject matters may be required. This kind of multiple skilled development teams are an essential principle in service design domain. This principle enables co-creation of new service innovations in business, and in the legislative process context it may be of valuable assistance in assignments that are wide and complex by nature – which they are often today.

Despite of the above mentioned differences between the concepts of hackathons and legislative processes it would be interesting to continue discussions about possibilities to utilize hackathons or other service design events (jams, innovation camps etc.) in this context, for example when alternative solutions and even radically new thinking, ideas and solutions for social challenges are desired. This theme and discussions could therefore be a suggestion for future reseach and development.

2.3 Customer-centric act (case)

This chapter reviews an outcome of a legislative process - an act - and discusses what customer-centricity could mean in it. Two perspectives for the review could be taken. First, a technical perspective where a legal writing (an act) is reviewed as a document and where customer-centricity is linked with actions for creating a good reading experience and a customer experience. This perspective is close to the concept of legal design as well as information and communication designs. Haapio (2013, 59) writes about elements which can make a good document and gives a list of sixteen criteria. The fundamental question is what the reader knows after reading, how the reader feels after reading the document and how she or he can take actions after reading – and how fast after reading. Special notion to content, structure, language and design of the document need to be paid.

Secondly, a substance perspective for the review could be taken. This means that an act is reviewed as a legislative tool or a managerial tool, and where customer-centricity is linked with actions for optimal impact on society. Because there is not yet a law text (a document) but only a theme for a legislative project in the MEAE case, the latter perspective was taken for the review perspective in this chapter. The latter perspective is also wider and therefore of more interest.

In the MEAE case, the reason for renewing legislation was political. The Finnish Government Program for 2015-2019 stated that a regional government reform will be launched in the beginning of 2019 (later this was re-scheduled for 2020), bringing 18 autonomus counties in Finland. The reform aims at administrative streamlining, change in procedures, more efficient public services, and direct exercise of influence by citizens, cost efficiency and promotion of economic growth. From the Finnish Ministries, the MEAE is responsible for the latter one, promotion of national competitiveness and economic growth.

Economic growth could be described by the Gross Domestic Product (GDP) and measured by the following formula: Y = C + I + G + (X – M) where Y=GDP, C=private consumption, I=private investments, G=public consumption and investments, X=export, M=import and (X – M) =net export (Parkin 2012, 493). It is in the MEAE’s interest to support these elements that generate economic growth. Private consumption (C) and private investments (I) are promoted by inputs on employment and enterprise services and infrastructure.

Figure 13: The regional government reform aims at supporting economic growth in Finland. From a slide set used for internal purposes. The MEAE (2016).

As part of the upcoming regional government reform, the MEAE along with other ministries started renewing legislation to meet the requirements of the new administrative system. The figures 13 and 14 visualize the aims of the legislation renewal and inputs of the MEAE in developing employment and enterprise service system. The new act will renew the system of regional development (aim number 3 in the figure 13), merges current employment and entrepreneur services into growth services (aim number 1 in the figure 13) and separates the roles of organizing and producing services (aim number 2 in the figure 13). All this aims at more customer-centric service offerings, promotion of business oriented approach in service supply as well as increased freedom of choice for the customers to choose from the multiple service providers, improved impact and increased economic growth.

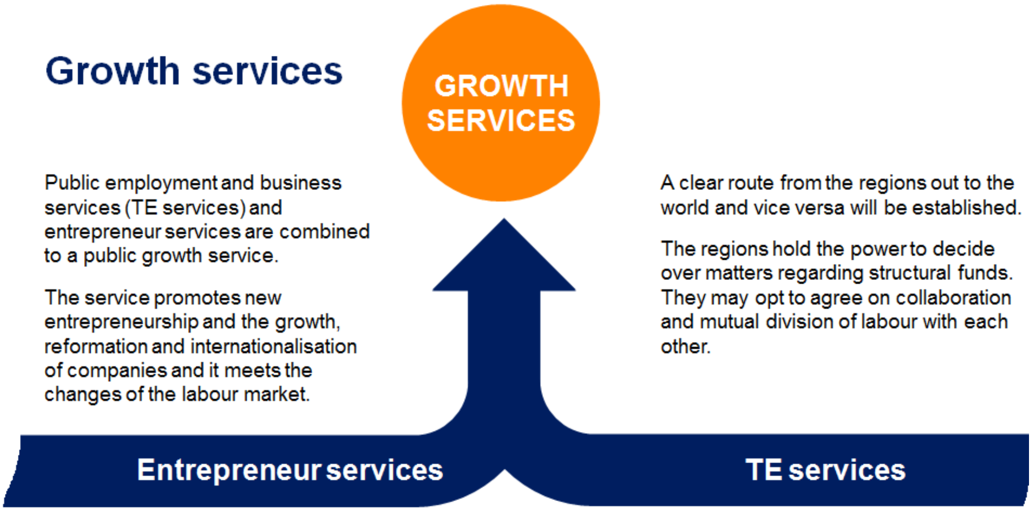

Figure 14: The growth services. From a slide set used for internal purposes. The MEAE (2016).

Currently, under the management of the MEAE there 15 ELY centres (The Centres for Economic Development, Transport and the Environment) and TE offices (Employment and Economic Development Offices) that offer public employment and enterprise services. After the regional goverment reform in the beginning of 2019 (later this was re-scheduled for 2020) there will no longer be ELY centres and TE offices but the 18 autonomus counties will be in charge of organizing the public enterprise and employment services i.e. growth services.

The reform aims at a multiple service producer model where the producers can be private companies, public companies or third sector operators. The autonomous counties will organize this model and choose the service providers for growth services. One of the key principles is that the service production will be market driven.

The figure 15 visualizes the organizer – producer model. For the end customers – job seekers and entrepreneurs – the reform aims at enabling a possibility to choose from the variety of service producers. However, in some counties there might not be a large variety of service producers, and in a case of market absence the county will be in charge of the service production.

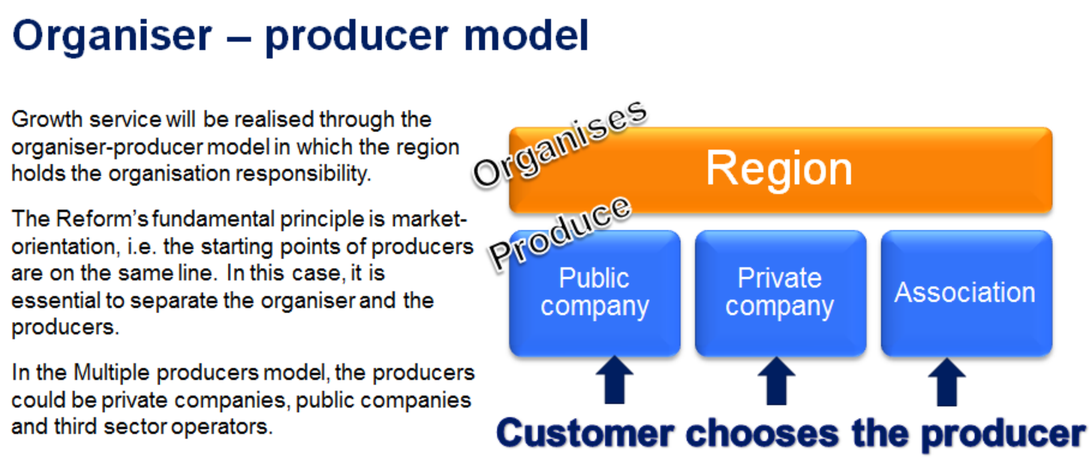

Figure 15: Organizer – producer model. From a slide set used for internal purposes. The MEAE (2016).

From a customer-centric perspective, this reform seems to aim at more individualized services which may indicate a paradigm change: services might not be tailored for the end customers (job seekers and entrepreneurs) by the service producers but the end customers may tailor the services for them by themselves. Especially in enterprise services this kind of hand-picking of services might be a future trend. In employment services the situation may be different. There the principal of freedom to choose the services is more complex. In some cases a person can be - from various reasons - not able to choose from the wide spectrum of employment services and there guidance, support and tailoring of services for the customer would be reasonable.

To conclude, a remark about customers is worth making. The act on the development of regions and growth services will be a manual for organizing and producing the growth services - and therefore the officials in the upcoming counties could be considered as the main customer group for the outcome of the process (the act). In addition to this and in a longer perspective there are customers – job seekers and entrepreneurs – who are so called end-customers and to whom the enforcement of the act effects on. This thesis project only follows the phase 2 of the legislative process (the regulatory drafting phase) and therefore the enforcement of the act remains to be seen and therefore also the fact how customer-centricity becomes materialized. Customer-centricity itself it not the aim but what can be achied with customer-centric actions. In this case, these actions aim at customer-centric result, an act that enables more customer-centered service offerings, promotion of business oriented approach in service supply as well as increased freedom of choice for the customers to choose from the multiple service providers, improved impact and increased economic growth.

2.4 Customer-centric organization

This thesis studies customer-centricity at process level but a wider review of customer-centricity at organizational level is reasonable because organizational elements either support or hinder implementation of customer-centricity in processes.

Galbraith (2005, 14-23) notes that in order for an organization to call itself a customer-centric organization, customer-centricity needs to be internalized at all following organisatorial levels; strategy, structure, process, people and rewards. Galbraith introduces the Star Model which is visualized in the figure 16.

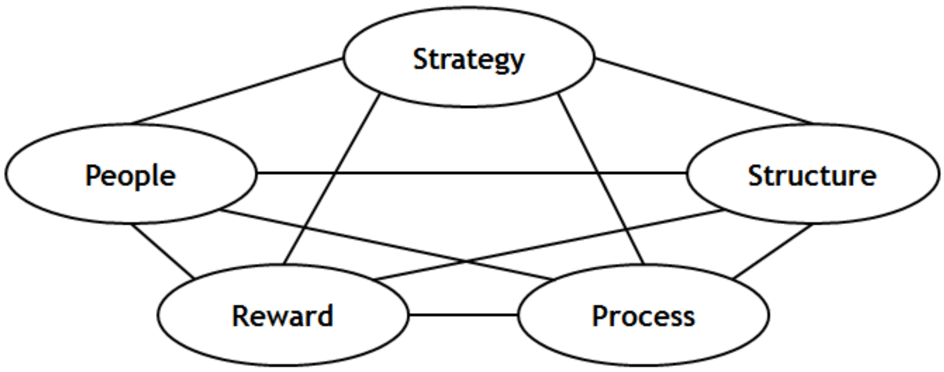

Figure 16: The star model. Galbraith (2005, 15).

First, in a customer-centric organization, customer-centricy needs to be internalized in the strategy dimencion. This means that the strategy has customer-centric goals. In the case of the MEAE legislative project, the strategic goals were economic growth and national competitiveness. This goal can be reached by improved, customer-centric service offerings which will lead to improved social impact. Customer-centricity in the strategy dimension has its reflections to the other dimensions; to the structure dimension which determines the (customer-centric) power hierarchy, to the process dimension which determines the (customer-centric) way of actions, to the people and their (customer-centric) mindset and to the reward dimension how (customer-centric) actions are compensated. All five dimensions of the star model must be consistent among each other, and especially the other four dimensions must be consistent with the strategy at the top of the model. (Galbraith 2005, 15).

Rewieving the star model from the law-drafting process perspective gives the following notions. This thesis studies the process and the people dimensions, how customer-centric these are, and depending on the findings, considers measures for developing it in the law-drafting context. The strategy dimension here is in connection with the Finnish government program for 2015-2019 which includes customer-centric elements (Valtioneuvosto, 2015). The thesis does not study how customer-centric the structure and reward dimensions are but when measures for developing the whole organization are considered, these dimensions of the start model should also be taken into account as these dimensions either support or hinder implementation of customer-centricity in the law-drafting processes.

Reviewing the star model from a customer perspectige gives the following notions. A customer will most probaply notice if there is a lack of customer-centricity in one of the dimensions. For example if there is a lack of customer-centricity in the strategy dimension, it may eventually effect on the structure how (customer-centric) business decisions are made, how (customer-centric) service processes are conducted, how the staff delivers (customer-centric) services and how the staff is motivated by the reward system to deliver services in a customer-centric way. Another example, if the service staff is customer-centric but one of the organizational elements – for example the process dimension - does not support the people dimension, a customer will most probable notice a lack of customer-centricity and his or her customer-experience will suffer. A smiling and friendly customer service staff does not help much if the customer-service processes are not functioning; they are slow and otherwise not customer-centric. The star model could be further tested by imagining a lack of customer-centricy in any dimension and the result could most probably be that the customer will notice it as it will most probably have negative effects on service quality and thus on customer experience.

Shaw (2010, 4-5) writes about regular surveys they conduct. One of those surveys revealed that 29 per cent of organisations thought they had improved customer-centricity but only five per cent of the customers agreed. Shaw (2010, 3) writes that 50 per cent of customer experience is based on feelings that people get through their five basic sences (what they see, hear, look, smell and touch).

Arussy (2010, 151) argues that everyone in the organization is in customer experience business. Those who are in the front desk facing customers and those who are in the back office enabling and supporting the service delivery. Schmitt (2012) goes beyond customer experience and writes about customer happiness. Most people aim at happiness in their life, and when organization realizes this they can develope customer experience into a next level. Schmitt introduces the PME happiness model (2012, 37) where P stands for pleasure, M for meaning and E for engagement. This is a relatively simplified model of elements of happiness but gives an organization a model where to concentrate if it wishes to promote customer experience, to get happy customers and in that way loyal customers.

For the public sector, the concept of loyal customers is a bit tricky because in many case the customers cannot choose from public services. The MEAE and public organizations in general can however consider developing customer experience or customer happiness because of other reasons. Schmitt (2012, 7) states that governments should be interested in citizens happiness and wellbeing because of its linkage to the welfare of the nations as a whole. Schmitt continues (2012, 8) that the government of the UK announced in 2010 its intention to start monitoring citizens' happiness by masuring people's psychological and environmental well-being. Happiness and wellbeing is related to economic growth which is of concern of the govenments and traditionally measured by the GDP. However, Coyle (2007, 109-111) makes an interesting notion about GDP and happiness; in poor countries happiness is rising hand in hand with GDP but when the GDP is around 15.000 USD per person per year and goes beyond this, in these countries happiness seem not increase remarkably.

According to Arussy (2010, 173) customer-centric organisations place the customers at the top of the organization chart. The figure 17 visualizes this. In the figure it is also visualized that the MEAE could be seen as an enabler in customer experience creation.

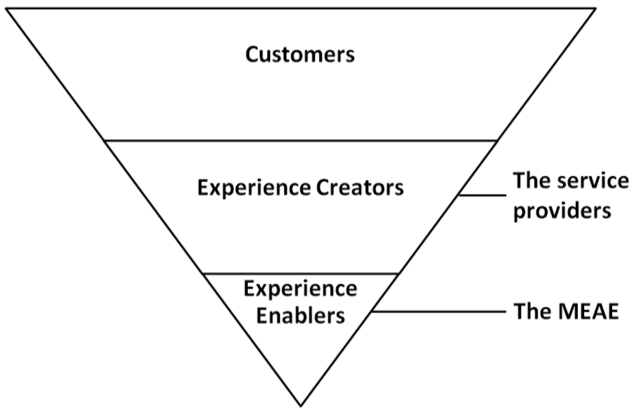

Figure 17: A visualization of the customer-centric organization chart introduced by Arussy (2010, 173).

Arussy (2010, 212-213) writes that in a customer-centric organisation, the value of the customer is recognized and shared at all levels and functions. This means that the sales, marketing, HR, IT, lgal, operations, manufacturing, R&D, collection and service all fuctions work in unision to provide consistent and high-quality experience to customers. This is visualized in the figure 18.

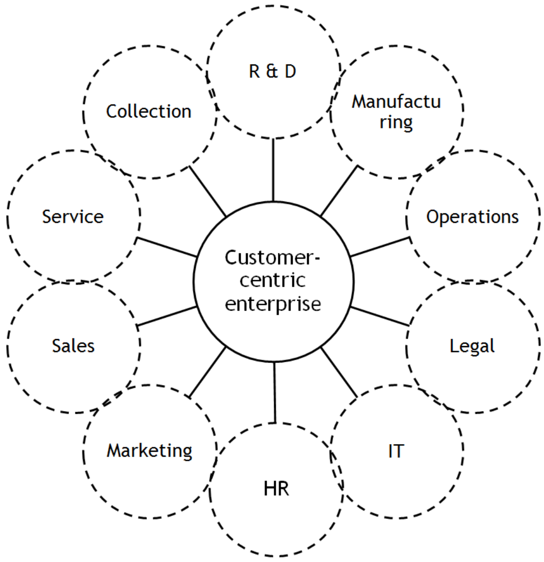

Figure 18: A customer-centric enterprise. Arussy (2010, 213).

Galbraith remarks (2005, 23) that although companies aim at customer-centricity, a company can decide and define how customer-centric it actually is. Galbraith argues (2005, 24) that not every company needs to adopt an extreme form of a customer-centric organisation. Businesses are different and a company needs to estimate how customer-centric it could and should be in order to remain competitive and to have a healthy business. Galbraith introduces (2005, 32) a strategy locator which assists companies to estimate their level of customer-centricity. This locator is visualized in the figure 19. The strategy locator's operational principle is as follows. An organization answers to questions related to scale and scope of its service production and questions related to the level of integration between products and services. The organization gets points according to the answers and can position itself in the customer-centric continuum. The more an organization gets points the higher on the customer-centricity continuum it is positioned.

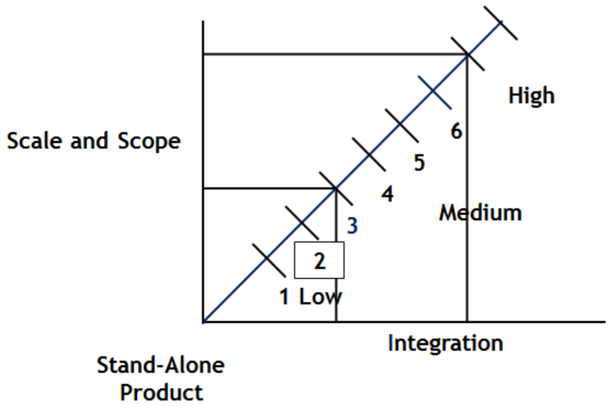

Figure 19: The customer-centric strategy locator. Galbraith (2005, 32).

Right on the axis is scale and scope which relates to the question of how many products and/or services the organization has for customers. Left on the axis is the integration of products and/or services which indicates how tightly these products and services are connected to each other. For example, if an organization has fifteen to twenty variegated products or services (high on scale and scope) and products and services need to work tightly together as a system (high on integration), this organization gets relatively high points and it is potitioned high on the customer-centricity continuum. The higher the points the more elements need to be taken into account in sevice delivery and in customer experience creation.

Reviewing the strategy locator and considering where in the customer-centric continuum the MEAE is and should be gives the following notions. Depending on the perspective, there can be several services or products that the MEAE produces. These are mainly administrative by nature. If these services are grouped, there might only be a few administrative services such as legislation (described as a service in the chapter 2.1.1). Thus the MEAE would get minimum points from the scale and scope axis. These administrative services do not need to be connected with each other and work as a service system and therefore the MEAE would also get minimum points in the integration axis. The result for the MEAE would be that it is positioned low in the customer-centric continuum. This would mean that customer-centricity needs to be paid attention to but not in the same extent than – for example - a company that offers services or solutions which consist of many interdependent services and products.

Finally, some notion of the importance of customer-centricity for organizations. Galbraith (2005, 5-6) writes that customer-centricity is a must in business as the power in the buyer-seller interaction has been moving systematically to the buyer. Internet and digital era has affected on business and given customers more choice and power. There is more information available and it is fast shared to the customers and among customers (good and bad customer experiences). This is worth noticing in the public sector too when developing services. Galbraith notes (2005, 6) that businesses must compete and try to please an increasingly more blobal, knowledgetable, and powerful customer.

3 Findings of customer-centric mindset

This thesis focuses on studying customer-centricity in one specific phase of the law-drafting process (the regulatory drafting phase) and in a one specific case (drafting of the act on the development of regions and growth services in the MEAE). The whole law-drafting process was described earlier in the figure 1, and this phase was marked on number 2 in the process. For the execution of the law-drafting project, the MEAE established a working group consisting 15 members; two members from the ministry of finance and thirteen members from the MEAE including the chair and the in-house service designer, the author of this thesis. The role of the service designer was dual; on one hand an active participant in the working group taking part in the law-drafting from customer-centric perspectives and on the other hand a researcher studying customer-centricity in the process. In addition to this, a third role for the service designer could be named; a developer as the research (interviews and observations) would reveal elements to be developed or supported depending on the level of the customer-centricity in the project.

In the beginning of the research process, it was essential to find out and to understand the current status of customer-centricity among the working group members, how the members of the law-drafting working group perceive and absorbe customer-centricity (mindset). Getting this information would assist in understanding what could be expected from the organization and its employees; what could and should be added to the process and how customer-centricity could be developed or supported in the process.

In order to get this information, the twelve MEAE members of the working group were interviewed. Two members from the ministry of finance were decided not to interview as the purpose was to clarify MEAE members' perception of certain concepts and more extensively to reveal aspects that could be developed or supported both at a process and at an organizational level in the MEAE. Time period for conducting the interviews was in the beginning of the law-drafting process, between September and October 2016.

The academic literature gives an extensive support for conducting interviews. For example, Brinkmann (2015, 128-129) writes about seven stages of an interview inquiry. These stages are thematizing, designing, interviewing, transcribing, analyzing, verifying and reporting. It is essential to note that an actual interview is only one part of the whole interview inquiry i.e. there are measures before the actual interview (thematizing and designing) and measures after the interview (transcribing, analyzing, verifying and reporting).

Importance of being well prepared for the interviews by the interviewer is highlighted in academic literature. Brinkmann (2015, 131) writes that when planning an interview, the key questions are why, what and how? The interviewer needs to identify the purpose of the interview (why), needs to get preknowledge of the subject matter (what) and decide on the interview method (how). Brinkman (2015, 131-135) continues that at this stage an interviewer does thematizing i.e. formulates themes or detailed research questions for an interview. The thematizing stage also includes making hypothesis (Brinkmann 2015, 135).

In this case, the above mentioned ”why, what and how” were the following; the purpose of the interviews (“why”) was to lay down the foundation for the study i.e. to reveal the current status of customer-centricity among the working group members, preknowledge of the subject matter ("what") was gained by reading and writing about customer-centricity in theory, and the interview method or the plan ("how) to conduct the interview was decided according to the insights gained from the previous "why" and "what" stages. The "how" question and the method for conducting the interview included formulation of themes, and in this study the following five themes were selected; customer-centricity, customers, customer insight, service design as a concept and service design implementation.

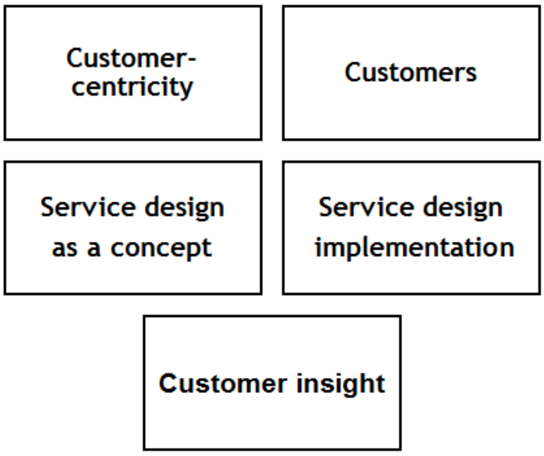

Figure 20: Themes of the interviews.

The themes of the interview are summarized in the figure 20. The themes formed a thread for the interview and they were carefully considered and selected to support maximum information collation. For example, the first theme – customer-centricity – was selected because the concept is in the core of this study, and the aim was to reveal how the concept is understood, absorbed and practiced in the law-drafting context. The second theme – customers – was aimed to continue from the first theme and to give information about the concept, how it is understood and absorbed. Understanding who the customers are is essential and a first step in developing customer-centricity (mindset and way of actions).

The third theme – customer insight – was aimed to give information about cababilities and measures for gaining and utilizing customer insight in the law-drafting context. For example, how the members of the law-drafting working group gain information about customers, how the members form customer insight and how they develope these cababilities and measures. The third theme was aimed to continue from the first and the second theme; when the first and the second theme would reveal how customers and customer-centricity are perceived, the third theme would continue in giving information about elements and issues that would assist in developing customer-centricity. As Shcmitt (2012, 161-185) writes, in order to either develop or to support customer-centricity an organization should gain in-depth customer insight.

The fourth and the fifth theme – service design as a concept and service design implementation – were aimed to give information about service design utilization. Service design methods can be a valuable assistance in customer-centric development measures. Are these methods utilized in the law-drafting context and if so, how extensively? Have these methods been used in the organization in general? This information would also assist in choosing a relevant service design method and tools at a later, development stage in this thesis when considering measures for developing or supporting customer-centricity. If the interviews would reveal that service design methods were familiar for the working group members, choosing a familiar tool might easy and fasten the development process, especially in a tight schedule of the law-drafting project. On the other hand, if the interviews would reveal that service design methods were unfamiliar introducing a new method and a tool would bring a training element in the process, a new perspective and in that way would be of assistance in deepening customer-centric mindset and way of actions.

Each of the above mentioned themes included some carefully formulated questions. For example, the interviewees were not asked to explain or define customer-centricity as a concept but asked to tell what comes to their mind from the word. The latter way gives wider possibilities for interviewees to describe and tell about elements around customer-centricity. For example, a possibility to tell how they have implemented customer-centricity, their experiences, attitudes, expectations etc. about customer-centricity.

Both the selected five themes and carefully formulated questions helped in managing the ebb and flow of the interview. When a certain theme was covered it was marked on red colour in the interview guide. Portigal (2013, 87) reminds that a theme and a question probably needs to be approached from different angles in order to get answers and information needed, and this advice was also useful in this study and in conducting the interviews.

Portigal (2013, 84-103) also reminds of the elements for a good interview which were of assistance in preparing for the interviews. Portigal advises the interviewer to give space for the interviewee. After a question, the interviewer could stay silent and let the interviewee to talk using his or her own words. By doing so the interviewer shows that he or she is present and interested. Sometimes it may be relevant to use the same language and terminology in order to build trust and a suitable atmosphere for the interview. In this study, both the interviewees and the interviwer were familiar with using abstract concepts in general and terminology in this context which made the discussions in the interviews easy.

Portigal (2013, 103) continues by noting that an interview guide is just a guide. The interviewer can lean on the guide when needed. In a case of a talkative interviewee, only some scripted themes would be needed, and in a case of a less talkative or otherwise less smooth process, a list of exact questions would help in order to get smoothly from one question to another.

Portigal (2013, 41-46) also advises about some practical elements of a good interview: timing of the interviews, duration of the interviews, structure of the interview, designing of the questions, venue, servings and refreshments, reward for taking part in the interview as well as possibly non-disclosure agreements. In this case the interviews were arranged around morning or afternoon coffee breaks at the coffee corner of the office. The interviewees were told that the interviews were part of the master's degree program and thesis. The only reward was free coffee and a good will for assisting in the thesis project. In addition to this, some interviewees realized a third rewarding element; the interviews gave a learning experience as the interviewees learned and got insights about service design methods and tools when the study context was explained for the interviewees (the thesis being part of the studies of service innovation and design master's degree program). This possibility to learn about service desing in discussions during the interviews and - especially - afterwards along the study process seemed to raise interest and motivation to participate in the study project.

The interviews were scheduled to take only half an hour because of the tight schedule of many of the working group members. The interviewer told the interviewees that her role was not to slow down or disturb the law-drafting process but to support and promote it by bringing customer-centric perspective into the process.

The interviews were recorded and permission for it was asked from every interviewee. They were told that they could give answers anonymously i.e. names of the interviewees were not mentioned in the recording, nor in the study documenting as appendix later. The names of the interviewees and date of the interview were in a separate list only for technical purposes in order to track down and control that all members had given their answers. Educational background was not relevant information. More relevant was to get information about customer-centric mindset and ways of action which would give insights on how to develop or to support customer-centricity in the law-drafting process.

Findings of the interviews

The first theme of the interview was customer-centricity and the interviewees were asked to tell what comes to their mind from the word customer-centricity. The phrasing of the question was carefully considered; instead of just asking to define the word, this way of asking gave a possibility to describe elements around customer-centricity, for example experiences of customer-centricity in service situations (both when delivering a service in a role of a producer and when getting a service in a role of a customer), their expectations about customer-centricity etc. and possibility to reveal more information about customer-centricity than just a plain definition. It was also interesting to find out whether the interviewees would link customer-centricity with the law-drafting context or nor – and how strongly. Worth noticing is that jurists in a ministry may be responsible of variety of administrative assignments and tasks, and one may only get a law-drafting assignment infrequently.

When asked about customer-centricity, the following two elements were linked with it and mentioned by the interviewees most often; meeting customer need (five answers) and listening of customers (three answers).

Those interviewees who perceived customer-centricity as meeting customer need also perceived these needs originating from administrative foundations. This means that most of the interviewees perceived internal customers in administration as their main customer group and services for them were administrative by nature. Typically these were statements, memorandums or other documents required. Therefore meetig customer need was to deliver these documents required by the internal customers. This gives more a reactive than a proactive image of administrative service delivery but it should be noted that this is not the general view but an element that emerged from the interviews. Proactive administrative measures and services could include guidelines, newsletters etc. One interviewee also mentioned that it is essential to try to understand the customer; what information she or he actually wants, why and when the document should be delivered, how fast etc. This interviewee also mentioned that designing of a document is essential. This idea is close to information and communication desings which was briefly discussed in the chapter 2.3.

Those interviewees who perceived customer-centricity as listening of customers linked it with law-drafting processes. It was said that the consultation should be extensive enough (both duration and scope) in order to get enough feedback and comments, otherwise there could be a risk of realizing disadvantages or side-effects of the act only in the end of the law-drafting process, or even worse some fundamental flaws after enforcement.

The figure 21 summarizes the findings of customer-centricity revealed by the interviews. The perceptions of customer-cetricity were well aligned with the theoretical part discussed in the chapter 2 where “finding out” and meeting “customer need” were defined as key elements of customer-centiricy. The findings also credit the argument that there is customer-centric mindset in administration as - for example – there is a desire to prepare documents carefully to meet customer needs, and in the law-drafting context as – for example – there is a willingness to arrange listening of customers, hearings and consultations early in the process and during it.

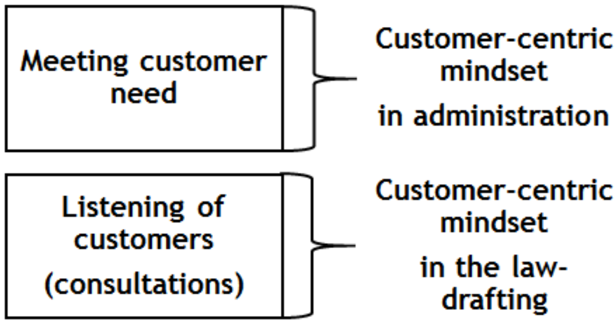

Figure 21: Perception of customer-centricity, revealed by the interviews.

However, customer-centricity seems to stay at a relatively abstract or at light level, and the following partly explains it: customer involvement in development of administrative services and legislation processes is in relatively minor role and therefore also co-creation - one of the key elements in customer-centric actions – stays in minor role. A good question is what the element of co-creation would mean in this context? For example, if it would mean an improved dialogue with citizens before, during and after a legislative process and in this way a value co-creation, it would be relatively easy to materialize. One example of materializing it could be intensified use of social media in the administration.

The second theme of the interview was customers. As the main customer group or the closest customers were perceived those with who the interviewees were in interaction on a daily or regular basis. These were the minister and colleagues (six answers), other ministries, parliament, ELY-centres and TE offices (four answers). These could be also named as internal customers. External customers such as interest groups and municipal organizations (four answers), and entrepreneurs and jobseekers (ten answers) were perceived important but lacking a daily or regular interaction.

The figure 22 visualizes the variety of customers reveled by the interviews. Worth noticing is that this visualization does not represent a comprehensive picture of customers of the MEAE but a summary of the main customer groups perceived by the interviewees. For example, also courts of justice, EU, other countries and immigrants were mentioned as customers by some interviewees. Even more customers could have been found if a wider group of the MEAE representatives would have been interviewed.

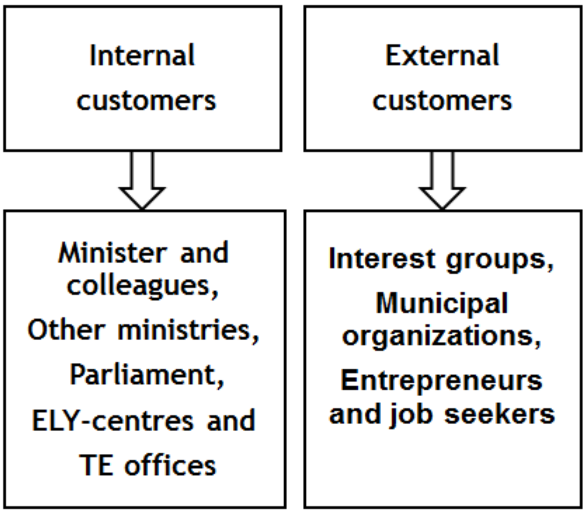

Figure 22: Perceptions of the customers, revealed by the interviews.

The third theme of the interview was customer insight. Worth noticing is that there are a variety of customers as discussed earlier, and depending on the project customers may vary. However, although the interview questions did not define customers, most of the interviewees perceived customer insight concerning end customers i.e. entrepreneurs and job seekers (external customers).

In general, the interviewees seem to be content with the current cababilities and measures for gaining and utilizing customer insight in the law-drafting context. The interviewees highlight the importance of being in direct and in close contact with officials of ELY-centres and TE-offices who offer enterprise and employment services. These organisations are under the management of the MEAE and if compared to a private company they would present the front line in a customer service delivery as described in the figure 17 in the chapter 2.4. Many of the interviewees said that through listening of internal customers (the front line) they get sufficient information about external customers (entrepreneurs and jobseekers) and market mechanism in general. The figure 23 summarizes the perceptions of gaining customer insight, revealed by the interviews.

There were arguments for and against for being in direct contact with external customers. Those who were against, argued that there is a risk of neutrality and objectivity. They argued that in a law-drafting process, individual people should not be listened because the ones who are active and loud would get their message through best. Instead of singular comments, interest groups could give a collective comment about an issue at hand. Those who were for being in direct contact with external customers realized the challenge of objectivity but argued that comments can be taken critically and not all comments can and will be taken into account as such. They also noted that along lobbying by external customers, officials can get valuable information about market mechanism and insights abour the logic and motives of people and enterprises i.e. how they behave and optimize their operations.

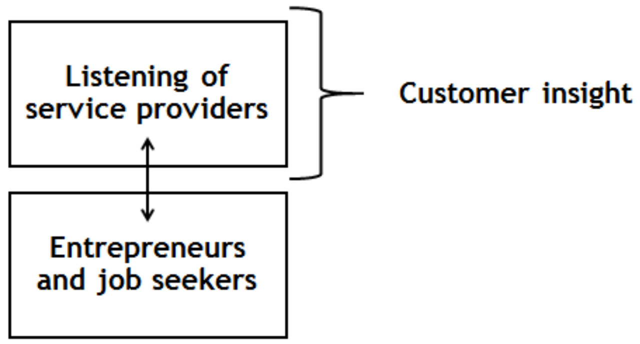

Figure 23: Perceptions of gaining customer insight, revealed by the interviews.

The interviewees were also asked how insights and understanding of customers could be developed. Panels, events and other forums where civil servants and customers (often internal customers or co-operation parters meaning interest groups and municipal organizatons) could meet, share information, best practices etc. were mentioned by four interviewees. One interviewee also mentioned that it would be important to promote diversified understanding. This means that in order to gain customer insight one shouls use several methods. Statistics and feedback in the form of administrative complaints were mentioned as additional ways to collect information and to form insights. Also, one interviewee mentioned that it would be essential to involve customers (often internal customers or co-operation parters meaning interest groups and municipal organizatons) in the early phase of a law-making process, listening and receiving information critically.

The fourth theme of the interviews was service design as a concept. The interviewees were not asked to define the word but to tell what comes to their mind from the word service design. Most of the answers revealed that service design is understood as a wide and a comprehensive concept, and developing customer experience as well as developing effective, attractive and easy services is in the core of service design.

Three interviewees said that in their understanding service design in the law-drafting context links with hearings and consultations. These processes have been developed lately, however, service design methods being in a minor role. Service design was also linked with seminar arrangements and with designing communications. In both of these examples, processes were developed smoother and easier for the customers – but not with them. Therefore in this theme as well as in the first theme, one key finding was that administrative services and legislation processes seem to lack customer involvement and thus the element of co-creation which are in the core of customer-centric actions and in service design.

The figure 24 summarizes the perceptions of service design revealed by the interviews. Schneider & Stickdorn (2010, 29) write that when asked, people may define service design differently and this is because there is – still - no common definition or clearly articulated language of service design. They define service design “is an interdisciplinary approach that combines different methods and tools from various disciplines”. They also note that one single definition of service design may constrain and therefore – instead of just defining the word - their book is an attempt to find a common language of service design in order to develop this approach. However, the findings of the interviews and definitions of service design are well in line with definitions found in the book of Schneider & Stickdorn (2010, 31).

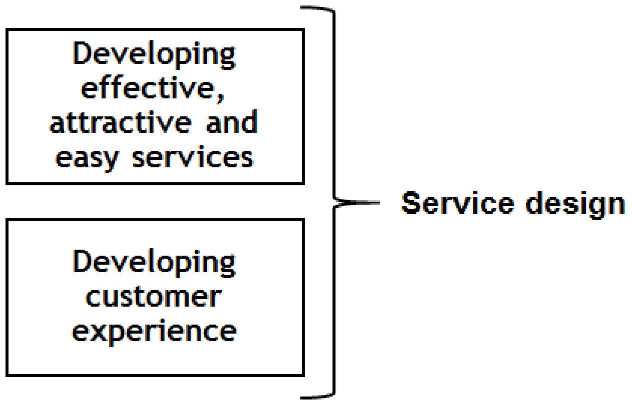

Figure 24: Perceptions of service design, revealed by the interviews.

The fifth theme of the interview was service design utilization. Most of the interviewees had no experience of service design utilization in the MEAE but they mentioned having heard of these methods being used in projects conducted by organisations under the management of the MEAE.

To conclude, the main findings of the interviews were the followings. There is customer-centric mindset both in administration in general and also in the law-drafting context. In the law-drafting context, most of the interviewees perceived customer-centricity as listening of customers in consultations, and there customers are often other ministries (internal customers), interest groups, co-operation partners and other organizations (external customers). However, consultations could mean both request for comments and hearings, from which the latter one is closer to the concept of a two-way dialogue, and in that sense closer to the concept of value co-creation – an essential element of service design and customer-centric measures. Customer involvement and co-creation are in relatively minor role in development of administrative services and legislation processes and therefore customer-centricity seems to stay at a relatively abstract or at light level in this context.

Customer insight is gained through listening of service providers (ELY-centres and TE offices). Listening of end customers directly was seen problematic. Actully, the interviewees seem to be relatively content with the current cababilities and measures for gaining end customer insight through service providers which raised interest and gave input for a development project for this thesis. Schmitt (2012, 161-185) writes that an organization should gain in-depth (end) customer insight in order to develop or to support customer-centricity.

Service design methods were not familiar to the interviewees and therefore introduction of some relevant methods during the development phase of this thesis would bring a training element to the project and could be of assistance in deepening customer-centric mindset and ways of action in future. Service design methods can be a valuable assistance in customer-centric development measures in projects and also at wider organizational level.

4 Findings of customer-centric ways of action

Another research method in this study was observations. While the interviews were conducted in the beginning of the law-drafting process (between September and October) the observation period lasted longer, from the beginning of September to the end of December 2016.

The purpose of the observations was to increase understanding of the current status of customer-centricity among the working group members. While the interviews gave information about customer-centric mindset, the observation gave information about customer-centric practice (ways of action) in the regulatory drafting phase.

The observation surrounding (The MEAE) was familiar to the observer although the assignment (the law-drafting) was relatively new. Thus the study was not ethnographic by nature as there the researcher often has an unfamiliar study object and by observing it he or she tries to understand the object (Metsämuuronen, 18-19).

In this case, the researcher was both an observer and a participant in the process and therefore she had a dual role. On one hand, she took part in the law-drafting as a full member of the working group being an active participant, drafting the law in co-operation with others but as a distinction to others, had a special emphasis on customer-centricity, looking at assignment from customer perspectives. On the other hand, she was an observer studying customer-centricity in the process (ways of action). Metsämuuronen (2001, 44-45) describes this kind of a dual role as a participant-as-observer and continues that this is a common situation in action research.

Action research is a strategic approach used in qualitative research for acquisition of information, and a useful approach for this thesis and its purposes. Tuomi (2002, 84) writes that in action research, the aim is to influence on the study project. In ideal case, there will be a positive change in the study object (Kalliola, 59). In this case, the positive influence would be a more customer-centric process and an outcome. Also, the observer cannot be totally objective as she or he participates in the study project in active role and tries to solve a specific problem or a challenge together with the other participants in the project (Eskola 1998, 127). Objectivity would mean that the observer tries to study the object in secret, takes distance to the study object and tries not to disturb or influence actions (Eskola 1998, 127).

In action research the study object will be informed about the study and the purpose of it, and the people in the study project are asked to cooperate with the researcher (Eskola 1998, 127). In this case, the observer informed the group about her dual role in the working group; on one hand a participant in drafting the law, making contribution to the work from the customer, customer-centric and service desing perspecitives, and on the other hand an observer getting insights of customer-centric ways of action. The observer also had a third role: a developer as the aim was to either develop customer-centricity in the process (if the level of customer-centricity was found low) or to support customer-centricity in the process (if the level of customer-centricity was found high/customer-centric culture already exists). These development measures would include instant ones (relevant service desing methods and tools during the process) and measures to be taken on later stage (development ideas for the future).

Cohen and Manion (1995, 186) write that in action research the researcher makes an intervention in the study object and studies the impact of the intervention. In this case, the intervention was made as follows. In the beginning of the process, the observer participated in the law-drafting making observations at the same time. This observation period lasted approximately one and a half months. After this there was a relatively wide sample of material and insights both from the interviews (customer-centric mindset) and from the observation (customer-centric ways of action) to make conclusions and to decide on the relevant measures for the intervention. The intervention period was shorter lasting approximately one month. After the intervention, there was another period of observation where the impact of intervention was observed. This period also lasted approximately one month. The figure 25 visualizes the action research conducted in this study.

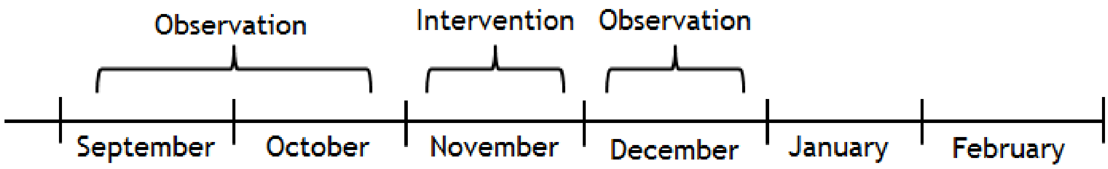

Figure 25: Action research conducted in the thesis.

Key notes from the first observation period, intervention and the second observation period were documented. Next, key findings of these periods are discussed.

Findings of observations

The law-drafting assignment was related to the systemic change happening in Finland i.e. the to the regional government reform planned to be launched in the beginning of 2019 (later this was re-scheduled for 2020) in Finland. The law-drafting project seemed to be challenging: the assignment was wide, complex and had political origins, nevertheless had clear aims to set a framework for the counties on organizing and producing employment and enterprise services in future. This seemed to cause some confusion among the working group members, and therefore the aims for the project were discussed a lot in the beginning of the process.

Confusion, uncertainty and a “fuzzy front end” in the beginning of the law-drafting assignment could be compared to service desing processes where a lot of issues need to be cleared and detected first in order to really understand the problem or the design challenge before rushing into finding solutions and solving the problem (Schneider & Sickdorn 2010, 124-126, 128-129). In the chapter 2.2 a comparison between a law-drafting process and a service desing process was discussed and visualized in the figure 12.

In the first observasion phase, the focus in the law-drafting project seemed to be more on administrative foundations - what the political instances and top management aim for, in what way the organizer-producer model should be organized etc. - rather than on end customer foundations – what the job seekers or entrepreneurs desire, what would be the best functioning model from end customer perspective etc. However, worth noticing is that for example a best model from some job seekers’ perspective is perhaps not a possible or desirable model from systemic perspective. It is perhaps not possible for political reasons (some measures may be politically agreed for example in the form of government program) or for economic reasons (some measures desirable from individual perspective may cause inefficiency in the system and in that way become too expensive for the society as a whole).

The working group consisted of jurists and experts of other substance matters. It is not unusual or new to have a team of diverse know-how in a law-drafting process but what was new in this case was the fact that an in-house service designer was also taken in. The MEAE had utilized external service design experts and firms and also did in this case - for example for communication purposes and for involving and empowering stakeholders to comment on the draft law - but an in-house service designer involvement along the process was a new approach and an indication of a new, more customer-centric mindset that is getting a more integral role in the public sector.

The team of diverse know-how was also an indication of a new and a more customer-centric way of action in the law-drafting context. However, there are some limitations or challenges from the customer-centric perspective. When a law-drafting process is compared to a service design process, a team of diverse know-how would mean that customers are also involved in the development, but in this case – and in general - taking customers as members of the law-drafting working group may not be possible. Naturally, again, worth defining would be the customer. Are we talking about citizens or are we talking about representatives of other ministries? Single customers or customer groups cannot be taken in for objectivity reasons. Also hearing of single customers and customer groups is challenging as discussed earlier; when doing so, law-drafting experts need to be critical about the comments and consider if the single comment represents wider opinion on the market or in the society. Therefore, a collective comment gathered by interest groups that represent sigle customers is more justified. In this way single customer's viewpoint is representative, listened and taken into account to the appropriate extent in hearings and in circulation of proposals for comments.

As discussed earlier there can be seen a variety of customers in a legislative process and also in this case; political instances and the management from whom the assignment was taken, stakeholders who contributed in the form of comments during the process, officials in the regions for whom the law would be a legal instrument for organizing future services, jobseekers and entrepreneurs for who the law would eventually have an effect on. The main customer group in the beginning of the project seemed to be political instances and top management whose whishes and aims for the project the working group members tried to understand and from these origins to outline and draft the legislation.

Another key customer group seemed to be the stakeholders who were involved early in the process. This involvement was done by arranging hearings and possibility to comment on the draft act already early in the process. Stakeholder involvement early in the law-drafting process is a realtively new approach in administration in general and an indication of a more customer-centric mindset and a way of action. Also, proceeding and developing the draft law text according to the customer feedback was a finding of customer-centric way of action.

Worth noticing is that in a legislative process in general and also in this case, not all comments could and was taken as such to the draft law text but they were noted, and a summary of remarks was made.

The figure 26 summarizes findings of customer-centric way of actions reveled by the first observation phase. First, in this phase a customer-centric way of action meant a team of diverse know-how which assisted in taking into account various customer related aspects. Secondly, in this phase a customer-centric way of action meant that customers (interest groups, municipal organizations etc.). were involved early in to the process – not into the work of the working group but for them hearings and other form of consultation were arranged. Thirdly, the law-drafting working group proceeded according to the wishes and feedback of customers (those who took an initiative and those who commented during the process).

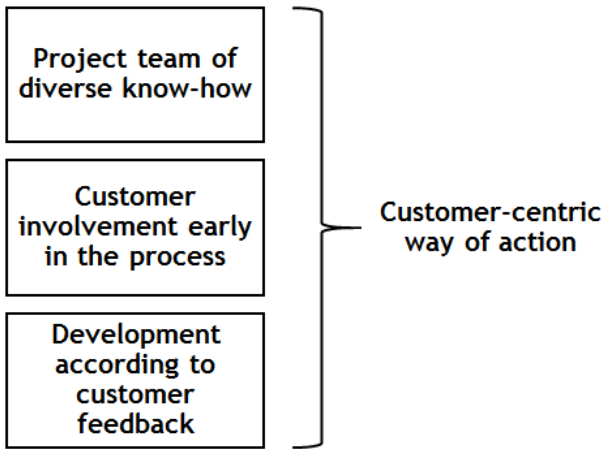

Figure 26: Findings of customer-centric ways of action, revealed by observations.

Interventions usually aim at a positive change in the study object. In this case, there was no need for a major change, however, a minor change in the mindset and way of action could be done in the form of an intervention in order to develope the process into a more customer-centric direction. It was noted in the first observation phase that the focus in the law-drafting project seemed to be more on administrative foundations and therefore the intervention had two aims; first, to remind about a customer perspective and secondly, to remind about the variety of customers. From service design tools, personas are an effective tool for adapting customer perspectives and the more personas are used, the more customer perspectives can be adopted.

Personas are cards, examples of customers, and by taking some personas, reading a short description of these personas and imagining the service experience from this customer perspective, a service development team aims to minimize errors before the prototype of the service is sent for customer testing – in this case, before the law-drafting working group sent the draft act for the circulation of proposal for comments. The figure 27 visualizes one example of a persona card. The aim of the card is to describe a potential customer, give basic information about him or her and also to give information about his or her motives, personality, hobbies, possible fustrations, goals and other relevant information which might assist in seeing the world from his or her perspective and to assist in understanding what elements in the service would and would not work for him or her. Ogilvie and Liedtka 2011, 6) write that design starts with empathy, a deep understanding of customers. Curedale (2013, 100) reminds that empathy is different to sympathy. In empathy you have an ability to identify and understand other person’s situation, feelings and motives (Curedale 203, 100). Curadale continues that empathy does not necessarily mean that a person has compassion for another person, which is essential in sympathy.

Curedale (2013, 139, 219) notes that there are some challenges in using empathy and persona cards. When using a persona, the researcher is only imagining and assuming the world of a customer. When assuming, one can get wrong and therefore a real life testing with customers and asking them is important.

Tommi

Age	**36**
Profession	**Entrepreneur (cleantech)**
Place of residence	**City of Lahti**
Marital status	**Married (a wife and two small children)**

Picture

Motives:
• Developing and scaling the business for international markets

”Not sure what kind of public entrepreneur services there will be in future if the regional government reform will be realized. Anyway, I hope that the service system would be simple and enable freedom to choose from multiple service producers.”

Figure 27: Example of a persona card used in the intervention phase.

Several persona cards were made; two cards for politicians (a member of the parliament and a city mayor), a card for a minister, two cards for the current service providers (TE office and ELY-centre), two cards for a job seeker and entrepreneurs and one card for a possible service provider in future (a consultant). A picture of a customer in the card makes it more human and is to increase empathy.

The persona cards were introduced to the working group members and the purpose of these cards was explained: the cards can be used as tools for increasing customer perspective. Everyone was asked to use these cards independently because the tight law-drafting schedule did not allow a group session for this method.

Personas work well and effectively only as well and effectively they are used. One needs to take time for this method and concentrate on the persona. Some members of the working group said that they did not find a suitable time in their busy schedule to review the cards. Some members said that it was not easy to adapt a new method and use it alone – therefore a group session would have helped them. Often these cards are used as part of team work in the beginning of a development project, in order to form a collective and a comprehensive picture of potential customers and their world, motives etc. In a team, members with diverse know-how can complement each other and understanding may accumulate. When working independently this may not be possible – however sparring partners may assist and some of the working group members also used them.

One observed said that jurists tend to think logically and in this respect the cards helped in thinking of the customer’s actions and motives, how he or she would act in a certain situation, and why i.e. what are the cause and the logical effect. It is also worth noticing that human actors do not always act logically. Entrepreneurs tend to act according to economic drives and in this respect considering their actions may be easier than considering job seekers action and motives which can be more complex due to many issues influencing on the background (family relations, physical and mental heath etc.).

In the second observation phase, the impact of the intervention was observed. The main finding was that some changes in the way of action did happen, for example in addition to an administrative perspective, customer perspectives were – perhaps not adopted but – noted. It seemed that the intervention had some impact for couple of weeks and after that the impact was decreased. The impact might have been bigger and lasted longer if the members would have had more time to learn the method, more guidance on how to use the method and a group session would have been possible for team work and utilization of this method in practice.

5 Developing customer-centricity in the law-drafting process

The development challenge introduced in the chapter 1.2. was as follows;

<u>Development challenge:</u> How the law-drafting process could be developed into more customer-centric direction? Which elements need to be developed (if the level of customer-centricity is low) or supported (if the level of customer-centricity is high/customer-centric culture already exists), in what extend and by which service design methods?

The interviews and the observations revealed that there is both customer-centric mindset and ways of action in the law-drafting context, however, some elements seemed to be at a relatively abstract or at light level and by developing these elements, the law-drafting process could be developed into a more customer-centric direction. The interviews and observation revealed the following three elements that could be developed. First, customer involvement and the element of value co-creation (revealed by the interviews). Secondly, the element of gaining customer insight and customer understanding which was seen important and concerning end customers but with whom a direct or regular contact was seen unnecessary (revealed by the interviews). Thirdly, the element of changing perspectives i.e. the law-drafting process seem to be executed more from administrative than customer perspectives (revealed by the observations) at least in the beginning of the process. Thus changing a mindset and way of action seemed interesting from the development point of view. The following reasoning will explain which elements were chosen for further development in this thesis.

The first element, customer involvement and value co-creation in the legislative process context is an interesting topic and would need some further discussions. Customer involvement and co-creation were not possible in the working group – but possible in hearings and consultation arranged during this phase (the regulatory drafting phase). Because the aim in this thesis was not to develop hearings (these are developed by the ministry of justice) but the law-drafting project work, customer involvement and value co-creation was not selected for the topic for the development project of this thesis. However, customer involvement and value co-creation could be a fruitful topic for future research.

The second element, customer insight and customer understanding, was also an interesting topic when reviewing the whole legislative process and also the phase 2 (regulatory drafting phase). As Shcmitt (2012, 161-185) writes, in order to either develop or to support customer-centricity an organization should gain in-depth customer insight. The members of the law-drafting working group understood that customer insight concerns end customer (job seekers and entrepreneusr) but with them a direct or regular contact was seen unnecessary. Instead, customer insight is gathered through service providers (ELY-centres and TE offices) and the members seemed to be relatively content with their current cababilities and measures for gaining and utilizing customer insight in the law-drafting context.

However, the situation will be changed when the regional government reform is launched. The MEAE will no longer have service producers (ELY-centres and TE offices) under its management but the 18 autonomous counties will be in charge of organizing the services for job seekers and entrepreneurs. Here the terms “organizing” and “producing” are essential; the counties will be in carge of organizing the service system and choose service producers (private companies, public companies or third sector operators) who will be in charge of producing services. The figures 28 describe the current situation (2016) and the figure 29 describes situation after the regional government reform launch (2020). As seen in the figures the regional government reform will bring a new layer and operators, the counties, in the service system. For the MEAE this means that new operations model and (customer) relationships need to be formed with the counties as service organizers. In the visualization, the service producers will be one layer more far from the MEAE and this raised a questions: How to maintain and develop our capabilities and measures for gaining customer insight in future? This theme is a future challenge and was therefore chosen for further development in this thesis.

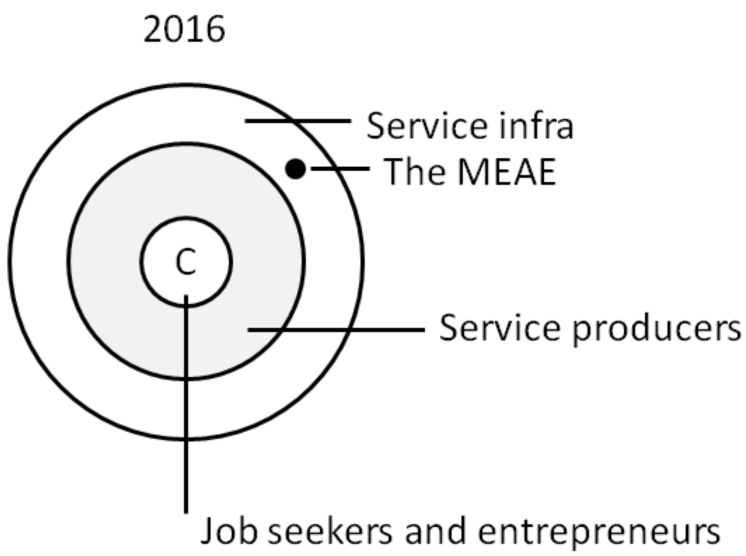

Figure 28: Visualization of the current service system.

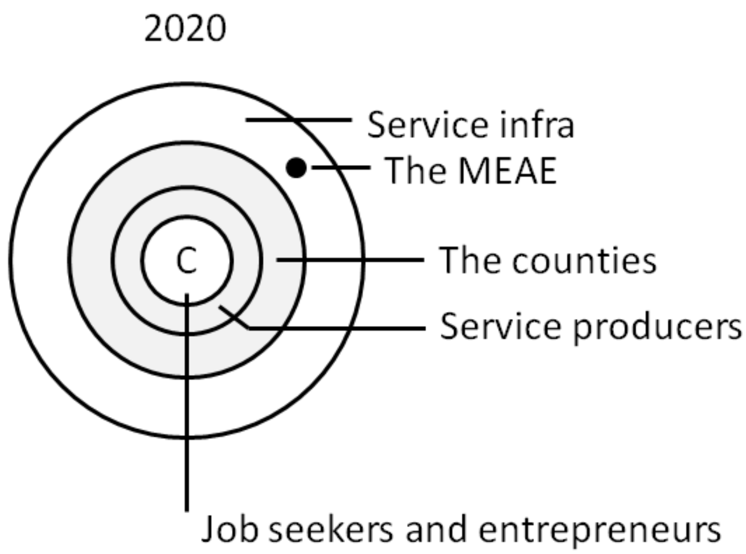

Figure 29: Visualization of the service system after the regional government reform.

For the third element, changing a mindset and ways of action from administrative perspective to customer perspective, some instant development measures were already taken earlier and described in the chapter 4.1. This included the intervention after the first observation phase. Persona cards as a relevant service design tool were introduced and used for developing customer-centricity in the process.

In addition to instant development measures, this thesis considers measures longer perspective, for further developing ideas how to increase customer-centricity both at project and at organizational level in future. One measure for developing ideas was a workshop which was decided to arrange. The theme for the workshop was the above mentioned second element, customer insight and customer understanding, and the title for the workshop was the above mentioned question: How to maintain and develop our capabilities and measures for gaining customer insight in future?

The five-stage framework introduced by Schmitt (2012, 161-185) and visualized in the figure 30 gave support for the development phase of this thesis. At the first stage of this framework, an organization and its employees need to adopt customers' perspective. Here the persona cards introduced earlier were a useful tool for this purpose. In the second stage, the organization and its employees need to gain in-depth customer insight. In the law-drafting context it could mean understanding of the subject matter to be regulated comprehensively both at micro and macro levels, customer motivations and drivers for actions, the cause and effect relations and impacts at various levels (impacts on the economy, authorities, environment and the society, including impacts on citizens).

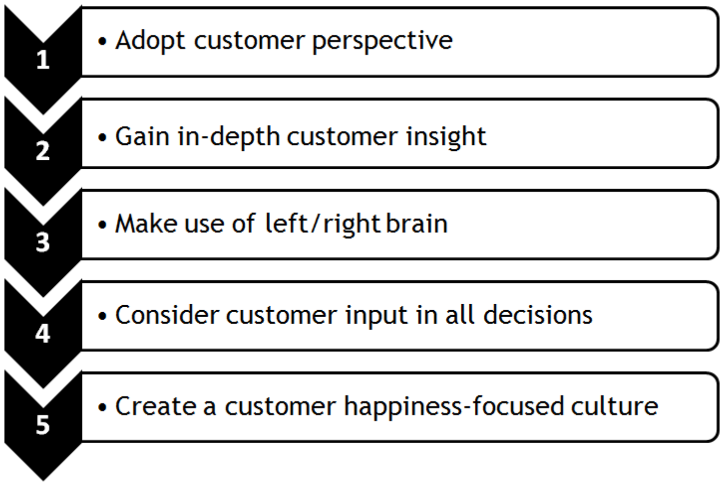

Figure 30: The five-stage framework for developing customer-centricity. Schmitt (2012, 161-185).

This thesis follows the above described five-stage framework for developing customer-centricity and eventually creating a customer happiness-focused culture introduced by Schmitt (2012, 161-185). However, only the stages 1 and 2 and therefore initial stages in cultural transformation could be taken within this thesis. The stage 3 (make use of left/right brain) and stage 4 (consider customer input in all decisions) could be future measures, for example in the form of training provided for the employees. All these stages and development measures in them aim at creating a customer-centric culture in the end.

Workshop

The purpose of the workshop was to develop ideas for improving cababilities and measures for gaining in-depth customer insight. The workshop was arranged in March 2017 in connection with a regular working group meeting in order to ensure maximal participation of the working group members whose calendars were relatively booked at that time. At this point the genral development challenge set in the beginning ("How the law-drafting process could be developed into more customer-centric direction?") was formulated into a question and a title for the workshop as follows: "How to maintain and develop our capabilities and measures for gaining in-depth customer insight in the growth service context in future?"

The workshop was arranged using a modified version of the double diamond model developed by the Design Council (2018). A modified version of the double diamond model here meant a single diamond model which included a design challenge in the beginning of the workshop, next a divergent thinking phase meaning that maximum amount of issues and ideas related to this desing challenge were created and a convergent thinking phase meaning that these ideas were discussed, screened and reduced so that finally in the end one idea was voted as the most feasible and desirable one for further development.

In the beginning of the workshop the facilitator usually introduces him or herself, however, in this case it was not necessary as the facilitator was the in-house service designer and therefore familiar to the participants. Neither was it necessary for the participants to introduce themselves because they were all members of the law-drafting working group and knew each other. In general, the facilitator needs to estimate if an introduction round in a workshop is necessary. For example, what would knowing of each others name benefit especially if the names are forgotten immediately? Also sometimes highlighting anonymous - no names, no titles, no hierarchy - could increase feeling of safety and openness, and therefore promote willingness to cooperate.

According to Katojärvi (2012, 47) the facilitator needs to take care of the following three things in the beginning of the workshop. First, he or she needs to create a safe environment for everyone to participate. Secondly, the facilitator nees to be present and in this way to show his or her interest, also to ensure that the participants are present and ready for the workshop. Thirdly, she or he needs to motivate the participants by telling them the focus of the workshop, explain the aim as well as the rules and roles.

In order to ensure a safe and a confortable environment, and to descrease tension the facilitator can conduct a relaxation exercise in the very beginning of the workshop. For example, the participants may sit on a circle and tell in a free order one thing that may have bothered or worried them just before entering the workshop. After this, the facilitator asks everyone to throw that imaginary thing away to free their mind from the negativeness related to it. That exercise may release some smiles on participants' face, release tension and assist in getting ready for the workshop. In this case there was unfortunately no time for this kind of an exercise due to the given busy schedule (one hour time for the workshop). The facilitator only asked everyone to have an open mind and to think positively, as positivism may encourage creativism and creativism again may encourage innovativeness.

According to Rasmussen (2003, 311) a facilitator needs to be aware of different capabilities required in facilitation, and he sets these core capabilities at four levels: physical, intellectual, emotional and synergistic levels. Rasmussen (2003, 315) continues that all these capabilities are needed at during of a workshop; capability to motivate participants, to handle negative and positive feelings, to ensure and increase "mental space" of the group and to use tacit knowledge and to resonate. Rasmussen (2003, 315) writes that if the facilitator is able to synthesise and interpret differents signals of the participants correctly, he or she is also able to react to these signals and to guide the process smoothly.

Kantojärvi (2012, 23) reminds that the role of the facilitator is to make sure that the group is focusing on the task i.e. if the task requires divergency (new ideas, quantity overcomes quality) the facilitator needs to remind participants to focus on that and not to start convergenting (focising on one idea only). In a group processes, strong emotions can occur and different opinions may demolish positivity and a creative work, and therefore a facilitator's role is to ensure that different reasonings are understood and a team can proceed smoothly. The group does not have to agree on everything but they need to understand that there are various options and reasoning behind every issue.

In the beginning of the workshop, the participants were asked to think about the design challenge "How to maintain and develop our capabilities and measures for gaining in-depth customer insight in the growth service context in future?" to use post-it notes and to write down issues and ideas related to the design challenge (one idea per a post-it note). The facilitator needed to speak clearly and give precise instructions in order to avoid confusion and missunderstanding. Everyone were asked to create at least three ideas, which meant that almost 25 ideas were gathered (eight of the twelve members of the working group were present at the workshop). This idea creation was asked to do in silence in order to increase effectiveness in the given tight schedule.

Post-it notes were set on the wall and participants were asked to cluster them. This clustering was also asked to make in silence. When clustering seemed to be made, the facilitator asked the participants to discuss about the clustering and to make final change is needed. After this the clusters were given titles. The following five clusters and titles were found; listening of service producers, listening of customers, co-operation with stakeholders, gathering information through statistics, reports ets. and being alert in systemic change. The latter cluster meant that civil servants should be sensitive to identify trends, be able to foresee and to seek and to form alternative scenarios. Although in the beginning of the workshop the participants were asked to be creative, these clusters included relatively ordinary ideas. However, the facilitator's role was to be neutral, not to estimate or to judge in any phase but to support the process and idea creation.

After clustering, the participants were asked to vote for the best ideas. Again silent working was asked in order to work effectively. Each participant could give two votes for two separate ideas by marking an X beside the idea. After voting, it was allowed to discuss shortly about the result. Two clusters, listening of service producers and being alert in systemic change, got most of the votes. The result was talked through and agreed that instead of separate ideas, these two clusters or themes could be taken to the next phase and further evaluation.

In the next phase these two themes (listening of service producers and being alert in systemic change) were evaluated. There are several methods for evaluation (see for example Ideapakka 2005, Kantojärvi 2012, 174-200). In this case, evaluation was made according to following criterion: how feasible and how desirable the idea is? Feasible refers to technical perspective and answer to question “can we deliver it?” and “can we do it?” Desirable refers to human perspective and answers to question “will people want it?” and also “is this what we want?” In evaluation of business ideas there is often a third criterion, viability, which answers to question “can we make money with it?” – However, this criterion was not used in this case as it was found irrelevant. The purpose was not to create business but to improve conditions for public service infrastructure.

The figure 31 visualizes the result of the workshop. Both themes, listening of service producers and being alert in systemic change, were seen highly feasible and desirable.

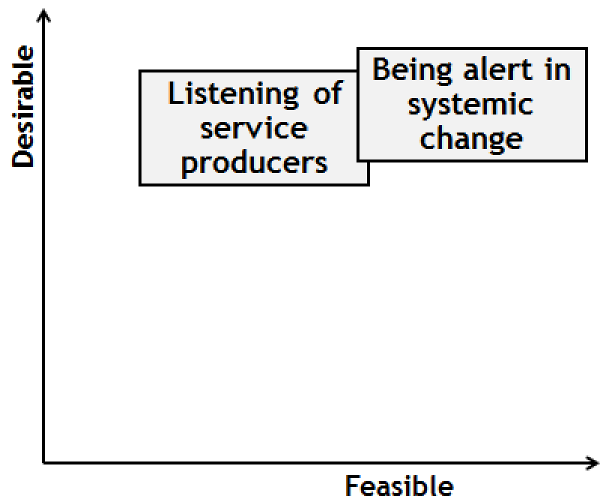

Figure 31: Result of the workshop: in-depth customer insight in the growth service context in future will be gained through listening of service producers and being alert in systemic change.

From these two themes, listening of service producers caused more discussions. The regional government reform will bring 18 autonomous counties, a new layer in the service system as described in the figure 29. This new system requires formation of new (customer) relationships with the counties and through them with service producers. The risk of diverging both from service producers and end customers (job seekers and entrepreneurs) was realized because of the increased layers of actors.

Although the workshop did not reveal innovative ideas or solutions for the development challenge, it aroused valuable discussions about cababilities and measures for gaining in-depth customer insight in the growth service context in future. The risks and challenges were noted. It was also noted that the workshop was a kick-off and the themes would need more discussions and development.

6 Creating a customer-centric culture in the law-drafting process

In this thesis, two initial stages of the five-stage framework of Schmitt (2012, 161-185) have been taken in order to develop customer-centricity in the law-drafting process. Following this framework would enable a creation of a customer-centric culture in a longer perspective.

Development of processes into a more customer-centric direction is important - however, it may not be enough. As discussed in the chapter 2.4 about the star model of Galbraith (2005, 15), developing one organizational element, for example processes into a more customer-centric direction may require that all the other organizational elements are also developed as these elements - strategy, structures, processes, people and reward system – are interdependent and can either support or hinder implementation of customer-centricity in (the law-drafting) processes. Therefore this chapter discusses about organizational level development and a creation and change of culture at organizational level.

Schein (2009, 39-40) describes what an organizational culture is about. There are three dimensions that have an effect on culture creation; external survival issues, internal integration issues and deeper underlying assumptions. From these dimensions, internal integration issues relate to human relations and are most often perceived as cultural elements. These issues are the following: common language and concepts, group boundaries and identity, the mature of authority and relationship, and allocation of rewards and status. These components are often comprehended as primary components in culture creation because they determine relationships among the people in the organization and how pleasant the workplace is (Schein 2009, 52).

However, concentrating on developing these internal integration issues only may not lead into a comprehensive cultural change or cuture creation. Schein notes (2009, 37-39) that in order to create or to change a culture, also external survival elements need to be considerd. These are the following: mission, strategy, goals, means (structure, systems and processes) and measurement (error-detection and correction system). These are well in line with the star model of Galbraith introduced earlier. The fact how these issues are formed and developed will have an effct on corporate culture. Schein (2009, 131) writes that especially in young corporates, the fact how the founder designs structures, systems and procedures as well as behaves, measures, controls, recruits, promotes, rewards etc. will determine how the culture is created and shaped.

In addition to these inter-organizational elements, Schein (2009, 40) writes that there are also deeper underlying assumptions affecting organizational culture and these are the following: human relationship to nature, the nature of reality and truth, the nature of human nature, the nature of human relationship, the nature of time and space, and the unknowable and uncontrollable. These deeper underlying assumptions are often difficult to see and interpret, and yet they are the real drivers of how the culture works at operational level (Schein 2009, 62). For example, if an organization claims to be customer-centric but uses misleading information in marketing just to maximize selling, the deeper assumption in the background is that only the owner-stakeholder interest should drive financial decisions, and even a deeper (cultural) assumption in the background is the nature of capitalism (Schein 2009, 62). Schein (2009, 52) concludes that if you fail to take cultural parts of other dimensions into account when trying to change some parts of the culture, you will find out that the other parts do not respond as you hoped they would.

Alvesson (2002, 177) writes that a cultural change can be seen as a big project, as an organic movement or a re-framining of everyday life. The first one is perhaps the most common way to think of a cultural change, and then a change is usually led by the top management and supported by external consultants. The following six steps are taken when a cultural change is seen as a big project led by the management: 1) evaluation the situation of the organization and determining the goals and strategic direction, 2) analysing the existing culture and sketching a desired culture, 3) analysins the gap between what exixt and what is desired, 4) developing a plan for developing the culture, 5) implementing the plan and 6) evaluating the changes, making new efforts to go further and/or engaging in measures to sustain the cultural change (Alvesson 2002, 178).

Alvesson (2002, 17) writes that changes in organizational culture do not always need to be big, top-management led projects including the above mentioned six steps. According to Alvesson (2012, 178) the managements could also give example and communicate cultural values in talk (slogan, stories etc.), actions (managers participate in meetings etc.) and material arrangements (logo, dress code etc.). By doing so the management tries not to change employees’ behavior but to change ideas, values and meanings (Alvesson 2002, 173). Alvesson (2002,174) notes about “symbolic effectiveness” and gives one example of it: an organization may reduce status symbols such as offices for the top management and by doing so the organization may impact positively on employees and increase the sense of community. He continues that this may also be done because the organization does not wish to be seen as an old fashioned organization but a modern one and this has little to do with changing organization's culture but to changing the (negative) image of the organization.

Alvesson (2002, 178) writes that cultural change could also be seen as a re-framining of everyday life. Change is then led by one person or a couple of senior level persons (Alvesson 2002, 180). Advantages of this kind of a model are that the cultural change is easy to communicate i.e. practical, concrete development examples for the work communities are easy to communicate. Disadvantages are that - compared to the previous big project model - this model may not have smilar kind of support from the top management nor similar kind of resources. Alvesson (2002, 180) continues that because of this, efforts for a change in this model may suffer as they may come up against wider organizational culture and power hierarchy.

Alvesson (2002, 178) continues that cultural change can also be seen as an organic movement. Here, a relatively large group of employees sense that something external is affecting their work community, affecting and changing ideas, values and meanings. Kotter (2012, 20) writes that today we live in an era where trasformation is common: global competition is harsh and business environment changes fast. Kotter (2012, 20) continues by pointing out that not only companies but also public organizations feel the impact of globalization and changing operational environment, and face the need to develop their operations according to these challenges. These external elements, changes in business environment and in society can cause external pressure and trigger a change process in an organization. However, in these change processes the changes may only be cosmetic and not genuine as in cases where changes are derived from internal dynamics (Alvesson 202, 179).

Derived either from internal or external dynamics, a change process can only start if an organization recognizes urgency for a change (Kotter 2012, 37-38). Kotter (2012, 38) writes that if some people in the organization are satisfied with the current situation and do not feel the urgency for a change, the change process is hard to start and to conduct by those who wish for a change and also feel the urgency for the change. If there are different and contradictory opinions within an organization, Kotter (2012, 52) suggest that an organization asks outsiders' (customers, suppliers, stakeholders etc.) feedback about the need and urgency for a change.

Establishing a sense of urgency is the first stage of the eight-stage model for conducting a change process developed by Kotter (2012, 23). In the second stage, a guiding coalition needs to be created. In order to conduct a change process, there needs to be a team with enough power to lead the process. This team should have the right composition, trust among its members and a shared objective (Kotter 54). An effective guiding coalition has the following four characteristics: power, expertise, credibility and leadership (Kotter 2012, 59). There should be enough key players and relevant managers in the team, broad and various expertise, and people with credibility and leadership skills.

Figure 32: The eight-stage process of creating major change. Kotter (2012, 23).

The figure 32 describes the eight-stage model for conducting a change process developed by Kotter (2012, 23). The third stage is to develop a vision and a strategy for a change. Kotter (2012, 9) explains why a vision is important in a change process. First, it gives a simple guideline and a general direction for a change. Secondly, it motivates people better than authoritarian and micromanagerial orders. Thirdly, it assists in coordinating peoples actions effectively. By this Kotter (2012, 72) means that instead of many guidelines and meetings - that can be time consuming and therefore costly - a simple vision can give some autonomy for the employees and can therefore assist in faster progress.

The fourth stage is to communicate the change vision. Kotter (2012, 92) gives the following examples for an effective communication of a vision. First, simplicity: a vision should be short and free from jargon. Secondly, the utilization of metaphors and examples: a picture can be worth a thousand words and assist in communicating and remembering the vision. Thirdly, the utilization of multiple forums: the vision needs to be communicated in various ways i.e. in big and small meetings, by using memos and newsletters, and by informal and formal interaction. Fourthly, repetition: in a change process, in order to firmly establish a culture, a vision needs to be repeated over and over again. Fiftly, leadership by example: a vision should not be only words but actions i.e. the management should not only communicate the vision but to act according to the vision and lead by example. Sixth, eliminate inconsistencies: the credibility of communication may suffer if there are inconsistencies between actions of managers and the vision. Seven, two-way communication: in successful change efforts, the guiding coalition uses two-way communication in order to get feedback and support for the vision. Kotter (2012, 103) writes that this last example of an effective communication also assist in the next - the fifth and the sixth - stages in his change process model. These stages include empowering broad-based actions and generating short-term wins. When employees adopt the vision, it is easier for the management to empower employees to assist in the change process, and to get them act according to the change process plan which consists of short-term stages and wins.

In the seventh stage of Kotter's change process model there can be many ongoing change processes which include both management and leadership skills. In this stage, the guiding coalition ensures that all systems, structures and policies that don't fit together and don't fit the transformation vision are changed (Kotter 2012, 23). Although Kotter (2012, 29, 33) otherwise highlights the importance of leadership (establishing directions, aligning people, motivating and inspiring) over management (planning, budgeting, organizing, staffing, controlling and problem solving), at this stage both leadership and management are important and required. While project management takes care of shorter perspective projects and wins, leadership takes care of long term vision and ensures that the organization does not become too content with the short term victories and end the change process too early.

In the eight and last stage, new approaches are anchored in the culture. Kotter (2012, 165) writes that there can be some changes in behavior and attitudes already in the beginning of the change process but only in the end of the process these changes become anchored in the culture. Kotter continues that a major change process should never begin with a bold announcement of "changing the culture" because changes happen slowly and will be realized only in the end. In a change process, for example in creation of a customer-centric culture in a (law-drafting) process or in an organization, all the eight above mentioned stages need to be taken in order to succeed and to finally anchor new, customer-centric approaches in the culture.

Kotter (2012, 13) points out that a culture creation may take several years – even a decade. Kotter (2012, 28) also points out that a change process is not a linear process. Alvesson (2002, 186) adds: "Intended cultural changes call for creativity, insight, coherence, a combination of culture-focused and more substantive, material re-arrangements and considerable persistence. It also calls for luck".

Kotter's model and Galbraith's star model (2005, 15) have a linkage. In Galbraith's model, all organizational dimensions - strategy, structures, processes, people and reward system – are interdependent and therefore all dimensions should be taken into account when leading a change. The guiding coalition formed in the stage two of Kotter’s model will be in charge of strategy, structure and process development together with people who are empored in the process. The reward system can motivate both managers and employess and therefore assist in the change process. However, worth noticing is that in public organization – for example in ministries - there may not be a systematic reward system. Should there be one is an interesting question that could be further discussed in organizations internally.

A reward system could include material benefits but also some non-material elements. Training provided and a possibility for developing skills could be one of these non-material elements although not all may agree or see it in this way. In Kotter’s model, there is a training element at least at the stages five and seven (Kotter 2012, 23, 110-11). Kotter (2012, 113) says that in addition to training skills it is important to train attitude.

As Ogilvie and Liedtka (2011, 6) write design starts with empathy, and therefore training that attitude or ability would be essential. Curedale (2013, 100) writes that empathy is a core skill in designing for customers, and needed for business success. He continues (2013, 136-139) that there are tools for increasing empathy (empathy maps, probes and other tools). However, he notes these tools are imperfect approximations of users’ experiences. When using empathy as a method, the researcher is only imagining and assuming the world of a customer. When assuming, one can get wrong and therefore a real life testing with customers and asking, listening, observing etc. is important.

Arussy (2010, 155) makes a good notion between the words “training” and “education”. The former word refers to the fact that employees can be trained to follow certain rules or instructions as the latter word refers to an approach where employees are taught certain things and allowed them to use these larnings as they wish as long as they serve the customer and the company best. The former refers to procedures and the latter to principles i.e. training gives employees guidelines and rules how to deliver a service while education explains why to deliver a service (in order to add value, create an excellent customer experience, provide welfare and happiness etc.). Arussy (2010, 189) highlits the importance of education over training while the former empowers employees more and gives them feeling of trust by the management to excersice responsibility and common sense in their daily operations.

Smith (2002, 111) gives an interesting example of teaching employees for better service delivery: storytelling. He writes that the power of stories is that people will remember them. Managers can arrange sessions where employees share experiences of exeptional customer service – in situations where they have been a customer. Learnings of these stories can inspire and assist employees to create and to develop exeptional customer experience in service situations, in the role of service providers. Storytelling is an interesting method as it gives concrete examples which can intensify a learning process. Sharing of best practices utilized in the law-drafting context can be seen similar to this method.

Arussy (2010, 173) highlight that it is important to train also the “experience enablers” to understand their role in experience creation. He continues that often these enables are used to serve internal customer but it is important to get them realize how thir work links with external customers and their service experience. The role of the MEAE as a service enabler was discussed in the 2.4 and visualized in the figure 17.

Arussy (2010, 155) writes about creating a culture of employee delight. He writes that there is no customer experience – and happiness - without employee experience. He continues that it is important to take care of the employees and their delight so that they could bring delight to customers. Cook (2011, 33) also reminds that it is important it is to take care of employees, treat them as internal customers and provide them with excellent customer service so that they again could provide excellent service experience for the external customers. Cook (2011, 34) writes how internal service quality and employee satisfaction relates to external service quality and customer satisfaction, and in the end to value creation and profit in business - and to increased economic growth in the public sector.

7 Summary, remarks and suggestions for further studies

Development of customer-centricity in any context requires a definition of customers in the very beginning. In the law-drafting context the definition of customers seemed occasionally challenging because of the variety of customers. For example, there are customers who take an initiative for a legislative project, who participate and cooperate in the process in various ways, who utilize the outcome of the process (act) in various ways and those whom the outcome eventually affects on. There are layers (internal and external customers), phases and processes with different customers.

Customer-centric development also requires an understanding of the concept of customer-centricity itself. Lucas (2012, 42) defines customer-centric as “a term used to describe service providers and organizations that put their customers first and spend time, effort, and money identifying and focusing on the needs of current and potential customers.” Here, as well as in many other definitions, the term refers to services and service providers which lead to a question: is legislation or a law-drafting process a service?

In the chapter 2.1 administration was seen as a service. However, it could be argued that the administration itself is not a service but administrative measures, and one of the administrative measures the Finnish ministries are mandated for is the law-drafting. Therefore the law-drafting as an administrative measure could be seen as a service.

Vargo and Lusch (2014, 12) give the most fundamental support for the argument that the law-drafting is a service by their definition of a service as “a process of one actor doing something for another”. They continue defining the word “service” by writing that it implies to “a process of one actor doing something for another, a beneficiary”. These definitions indicate that there does not have to be exchange of money like the business definition of the word service suggests - or exchange of goods or service-for-service exchange like Vargo and Lusch suggest in their theoretical framework of service-dominant logic (2014, 10-11). A service can therefore be something that is given or done for someone to benefit her or him without getting something, a benefit, back.

The law-drafting is an action that benefits the society and its citizens. It gives strict guidelines for an issue it enacts about, and is therefore of essence in increasing security and reliability for operations. In addition to separate individuals, the whole society benefits from the legislation because without it, the society might be insecure or even chaotic.

Development of services – also law-drafting processes - into a more customer-centric direction requires development of both mindset and ways of action. This study revealed that there is both customer-centric mindset and ways of action in the law-drafting context. However, these seemed to stay at a relatively abstract or at light level because of minor customer involvement and thus value co-creation emphasis. A good question is what the element of value co-creation would mean in this context? For example, if it would mean an improved dialogue with citizens before, during and after a legislative process and in this way a value co-creation, it would be relatively easy to materialize. One example of materializing it could be intensified use of social media in the administration. Mäenpää, Faehnle and Schulman (2017, 252) introduce the concept of the fourth sector and write that this sector should be considered as an equally important customer group and also in multiple roles as co-producers, co-developers etc. Instead of considering how to involve this sector into administrative processes, the administration should consider how to involve itself to the processes of the fourth sector. This requires a new customer-centric mindset for developing - and co-creating - public services with the variety of customers.

Osborne et. al (2013, 147) argue that the public sector would benefit if it absorbed the service-dominant logic introduced by Vargo and Lusch in 2004. Osborne et. al have taken this theory further and introduce the <u>public</u> service-dominant logic. They argue that in the public sector the product or goods-dominant logic (G-D) is still a more dominant perspective than the service-dominant logic (S-D). One essential difference between these two logics is in the perception of value creation: in G-D logic value is created for the customers and in S-D logic value is co-created with the customers. Osborne et. al (2013, 136) highlight that public services are not “products” but “services”.

Both customer-centric mindset and ways of action can be developed. This thesis has taken some instant development measures (persona cards) and measures for a longer development perspective (workshop). Personas assist in taking a customer perspective, and service development teams utilize these in order to minimize errors before the prototype of the service is sent for customer testing – in this case, before the draft act is sent for a circulation of proposal for comment. The workshop aimed at developing ideas for improving capabilities and measures for gaining in-depth customer insight in future. As Schmitt (2012, 161-185) writes, in order to either develop or to support customer-centricity an organization should gain in-depth customer insight.

These development measures followed the five-stage framework introduced by Schmitt (2012, 161-185). From this framework two initial stages (adopt customer perspective and gain in-depth customer insight) were taken. Following this framework would enable a creation of a customer-centric culture in a longer perspective. However, as Kotter (2012, 13) points out, a culture creation may take several years – even a decade.

Development of processes into a more customer-centric direction is important – but it may be not enough. It may be require that all the other organizational elements are also developed as these elements - strategy, structures, processes, people and reward system – are interdependent and one element can either support or hinder implementation of customer-centricity in the other element (see the star model of Galbraith 2005, 15).

Worth noticing is that customer-centricity itself is not the aim but what could be gained by it i.e. what could be achieved if something is done in a more customer-centric way. The aim of customer-centric actions is the benefit, impact and value both for the customer and the service provider. From the public sector perspective the value, benefit or the impact is increased tax revenues and thus sustainable economic growth, social impact and national well-being.

The public sector could increase utilization of service design methods (see for example Schneider and Stickdorn 2010, Ogilvie and Liedtka 2011, Curedale 2013) as these are of valuable assistance in customer-centric development actions. Ogilvie and Liedtka (2011, 6) write that design starts with empathy, and therefore training that design method, attitude and ability is of essence. Curedale (2013, 136-139) that there are tools for increasing empathy (empathy maps, probes and other tools). However, he notes these tools are imperfect approximations of users' experiences. When using empathy as a method, the researcher is only imagining and assuming the world of a customer. When assuming, one can get wrong and therefore a real life testing with customers and asking, listening, observing etc. is important as well as co-creation of services.

Utilization of service design and investments in it has a linkage to economic growth (see for example Ogilvie and Liedtka 2011). Also the Danish national agency for enterprise and housing has made an analysis of the economic effects of design which shows that design utilization has a positive effect business: the more companies invest in design i.e. the higher they are on the so called design ladder, the better is their gross revenue performances and exports (National Agency for Enterprise and Housing, 2003).

The design ladder was developed by the Danish Design Centre in 2011 and it illustrates the maturity of companies in service design utilization (Danish Design Center, 2015). The design ladder is described in the figure 33. The first step in the service design ladder describes the situation where an organizations does not implement service design at all, the second step describes a situation where an organization only uses service design for styling purposes and for communications, the third step means that an organization uses service design tools and methods in projects, and the fourth step means that service design is already at strategy level; user-centered approach is recognized and implemented across the organization, is adapted as an organization policy and used as part of strategy making processes.

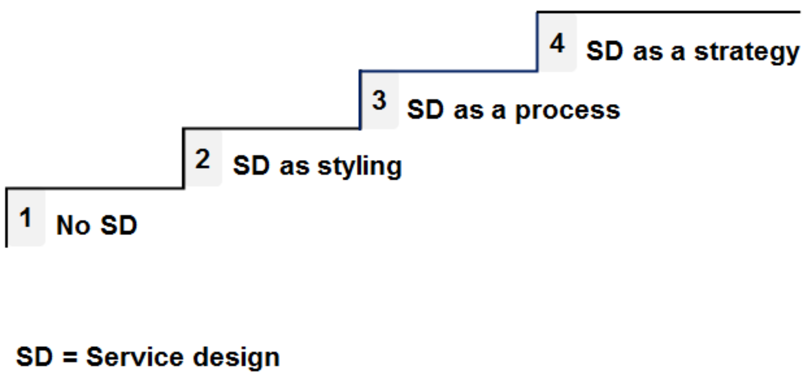

Figure 33: Service design ladder, a modified picture. Danish Design Center (2015).

The thesis revealed that currently the MEAE uses service design only in styling and in processes, and can be positioned between the steps 2 and 3 in the service design ladder.

When service design and customer-centricity is taken to the strategic level (step 4), a customer-centric culture can be seen created.

Alvesson (2002, 178) writes that a cultural change can happen as an organic movement and by this he means that something external starts affecting a work community, thus affecting and changing ideas, values and meanings. These external elements, changes in business environment and in society can cause external pressure and trigger a change process in an organization. However, in these change processes the changes may only be cosmetic and not genuine as in cases where changes are derived from internal dynamics (Alvesson 202, 179).

For example, an organization may feel external pressure to become a modern organization, to use service design and climb in the service design ladder, and this has little to do with changing organization's culture into a more customer-centric direction but to changing (negative) or directing (neutral) the image of an organization to a more positive one.

Alvesson (2002, 178) continues that a cultural change could also be seen as a re-framing of everyday life or as a big project. The latter one is perhaps the most common way to think of a cultural change, and then a change is usually led by the top management and supported by external consultants. When comprehensive development measures are taken, the eight-stage model of Kotter (2012, 23) - visualized in the figure 32 - for conducting a change process could be a useful framework.

Suggestions for further studies

As already stated, customer involvement and value co-creation could be a fruitful topic for future research. However, in the legislative process the concept of co-creation may be a bit tricky. An expression is "you can delegate authority but not responsibility" and in this context this would mean that a mandate for a legislative project could be given to a working group or a separate preparatory body consisting various experts and even stakeholders (customers) but the responsibility for a legislative project remains with the authorities. In a case of a separate preparatory body, some elements of value co-creation may be seen. Also in phases where co-operation takes place, for example in making of impact analysis and in cases like development of systems - often digital ones - for initiatives and feedback.

Value co-creation could also mean an improved dialogue with citizens before, during and after a legislative process – which could suggest of seeing the legislative process in the form of a circle instead of a linear process described earlier. The figure 34 visualizes this suggestion.

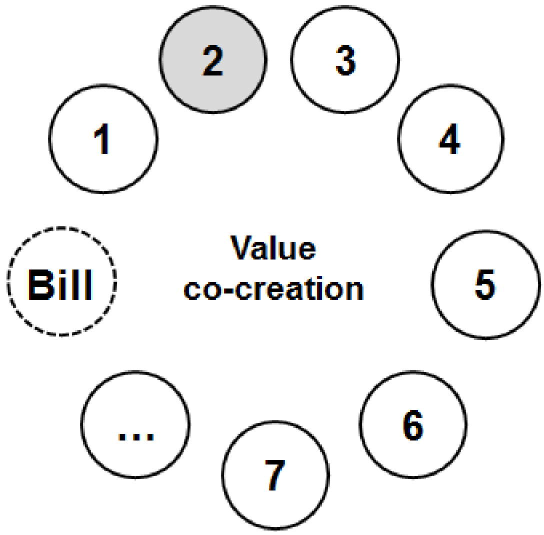

Figure 34: The legislative process seen in the form of a circle and the concept of value co-creation in it.

When the legislative process model is seen in the form of a circle, a review of the concepts of customer involvement and value co-creation is interesting. After the last phase of the legislative process, enforcement of the law takes place and implementation and impacts of the legislation are monitored. These monitoring tools include studies and reports, statistics, court decisions, decisions and policies of administrative authorities, consultations and discussions, as well as surveys and other means of gathering feedback (Enforcement and monitoring, no date). The latter wording could suggest modern tools for monitoring and gathering feedback, and thus new ideas for customer involvement and value co-creation in this context. Modern tools and pro-activity will be highlighted in future: fast changing operational environment and increasing complexity require pro-activity and agility of legislative bodies.

Finally, some other suggestions for future studies. In this thesis, the key words were customer-centricity, law-drafting, service design, legal design, organizational culture and change management, and future studies could continue from these by adding elements from the following key words, concepts and approaches: legal design, transition design and impact design.

Legal design combines domains of service design and law, contributing to new generation legal products and services. One of the pioneers in this field is the Legal Design Lab based at Stanford Law School & d.school (Hagan, 2013). This thesis has referred to legal design and future studies could deepen discussions on this domain. For example, legal texts could be designed into a more customer-centric direction. Haapio (2013, 58) writes of criteria for a good document. The content, structure, language and design of a document need to be carefully considered, and to test a document - how customer-centric it is - one can ask a customer, how well and fast she or he can take actions after reading the document, and what she or he actually knows and feels after reading the document. There are certain forms and templates in the legislative process, and an interesting question is if it would be possible to re-design these somehow.

Transition design is also a relatively new approach. Irwin (2015) writes about transition design, and his writing indicates that this approach could be especially valuable when leading cross-administrative change processes. In the legislative process context, this approach could be very interesting.

Impact design could be considered when the solution to a design challenge requires a measure of impact to be considered a success (Jase, 2017). Administration in general has a strong interest to generate more impact by the same or reducing resources, and therefore impact design could be an interesting approach for future studies.

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Unpublished resources

The MEAE. 2016. Slides used for internal purposes.

Figures

Appendixes

List of the appendixies

Appendix 1: Lettering example of an interview

HAASTATTELUJEN LITTEROINTI

1. HAASTATTELU

TEEMA: palvelumuotoilu

Haastattelija: Ensimmäinen haastattelu. Ja lähdetään teemoista, ensimmäisenä teemoista, laajana käsitteenä palvelumuotoilu. Mitä sulle tulee mieleen sanasta palvelumuotoilu?

Haastateltava 1: No ihan top of mind, niin Steve Jobs. Ja Jobsilla oli tämmönen lause, tässä Walter Isaacsonin elämänkerrassa, että ”muotoilu on tuotteen ja kuluttajan välinen rajapinta”. Ja, tätä hän niinku menestyksellisesti toteutti.

Haastattelija: Joo-o, sitten … voidaan palata tähän vielä jos tulee muutakin oivalluksia ja muuta. Mites siten, selvitän sitä, että miten….

Haastateltava 1: Hei, se vielä, että siihen ideaan sisältyy ei pelkästään niinku tämmöiset visuaaliset kysymykset vaan myös käytettävyys eri tavalla, niin silloinhan nämä molemmat…. sehän oli yliopistossa vähän aikaa ja mut se ei tehnyt mitään tutkintoa, ainut asia mikä sitä kiinnosti oli kalligrafia ja sillä oli jo ihan alle kakskymppisenä se kysymys, minkä takia tietokoneiden pitää näyttää niin skeidalta. Ja tavallaan se työsti tätä sitten koko ikänsä.

TEEMA: palvelumuotoilun käyttö

Haastattelija: Sitten mä mäppään sitä, että miten sä oot … tätä niinku yksilö, ryhmä, organisaatio tasolla olet havainnut, että palvelumuotoilua itse käytät tai että ryhmätasolla tai TEM-tasolla, palvelumuotoilun menetelmiä tai tapoja tehdä asioita.

Haastateltava 1: Mä en tunne sitä noin niinku miten mä sanoisin, akateemisena käsitteenä, enkä tiedä mitä ne määritelmät on, mutta tietysti jos mietitään tommosta et ylipäätään se, että miten kerätään organisaatiosta tietoa, miten se muotoillaan, esitetään eteenpäin jollekin kohdeyleisölle tai vaikka sitten ministerille tai ylimmälle johdolle, niin tän tapaista työtä tehdään erittäinkin paljon. Se on ihan päivittäistä miettimistä.

Haastattelija: Onko se sanojen tai asioiden muotoilua vai…?

Haastateltava 1: Se on vähän kumpaakin. Se on asioiden tiivistämistä, olennaisen etsimistä ja sitten toisaalta myös sen miettimistä, että mikä on se kohdeyleisö, että miten se asia pitää niille esittää, että sen tyyppistä, että mä en osaa sanoa, että onko tämä palvelumuotoilua, mutta se on sellaista työtä mitä esim. nyt minä teen hirveen paljon.

Haastattelija: Eli tämä menee siihen yksilötasoon, että sä mietit niitä sanamuotoja ja näin, sitä viestintää…

TEEMA: asiakaslähtöisyys

Haastateltava 1: No tavallaan joo, mutta tietenkin se on jatkuvaa keskustelua erilaisten ihmisten kanssa, että miten tiettyjä asioita tehdään, voi olla jopa kymmeniä ihmisiä, jotka tuo erinäköistä inputtia ja siit pitää puristaa se et mikä siinä on olennaista ja hyväksyttävää ja kaikille toimivaa. Et sen tyyppistä duunia tietysti tehdään erittäin paljon. Ja sitten on ihan eri asia mennä esittää vaik ministeriöille jotain hankkeita, niinku ulkoisille sidosryhmille, siellä voi olla monenlaisia ryhmiä, siellä voi olla juristeja, siellä voi olla jotain spesiaaliasiantuntijoita, voi olla ekonomisteja, ja kaikki nää niin, kun näille sitten tehdään jotain esityksiä, niin ne on tietysti, lähtökohdat on ihan toisenlaisia.

Haastattelija: Eli tossa… ainakin mä olen kuulevinani semmoista sisäisen asiakkuuden, et ajatellaan, et eri tyyppisille ihmisille, eri kohderyhmät on ja niille viestitään eri tavalla …

Haastateltava 1: No, joo, kyllä…

Haastattelija: Tavallaan niinku… periaatteessa ehkä niinku ehkä ajattelematta että ne olis sisäisiä asiakkaita, niin on sellainen ihmislähtöinen..

Haastateltava 1: Niin, no joo, niinku mä sanoin, niin mä en sitä palvelumuotoilu tunne käsitteellisesti enkä akateemisesti, sä tiedät miten se menee siihen kehikkoon, mikä on sisäinen asiakas jne. Mutta tämä on tavallaan se toimintatapa, joka mun mielestä kuulostais siltä että saattaa liittyä palvelumuotoiluasiaan. Mut et joku voi sit sanoa, et tää on viestintää tai sille voitais varmaan antaa jotain muita nimiä.

Haastattelija: Oletko sun työssä sitten jotain mitä sä olet kokenut palvelujen kehittämis… projekteja tai palveluprosessien kehittämiseen liittyviä projekteja tai töitä?

Haastateltava 1: Kyllä tietysti toi, että miten osasto saa tiedon, mitä osastolla tapahtuu, miten ministeri saa tiedon, että mitä osastolla tapahtuu, miten VM jory:lle kerrotaan asiat, kyllä kai ne on jonkinnäköisiä palveluprosesseja, me yritetään tehdä oma työmme ymmärrettäviksi niille, niiden lähtökohdista, et kyl mä niinku kattosin, et se on niinku sitä.

TEEMA: asiakkaat

Haastattelija: Mites, tota, pystyksä jotenkin mäppäämään omassa työssä talon ulkopuolisia asiakkaita.

Haastateltava 1: No, joo, siis tota…. no en mä tiiä, tää on tietysti iäisyyskysymys, mikä on ministeriön asiakas. Pietarinen akanaan sanoi, että ministeriön asiakas on ministeri. Koko toiminta kohdistuu ministeriin. Mut et sitten me voidaan ajatella, että kansalaiset on asiakkaita ja suomalaiset yritykset on asiakkaita ja mä luulen, että tämä on se ajattelutapa mikä on ainakin meidän osastolla vallitseva. Se on sitten mun mielestä haasteellista, että … mun mielestä me… meil on… kun me lähestytään politiikan näkökulmasta niin me aina ajatellaan sillä lailla, että minkälainen tän maailman pitäisi olla. Mietitään, mikä olisi oikein ja mikä olisi hienoa, ja mihin suuntaan asioita pitää kehittää, sitten taas se asiakaskunta, yritysmaailma, niin se toimii vähän eri lainalaisuuksien piirissä, se on tota, se on kuitenkin aika tiukasti tämmöisessä euro-ohjauksessa, ei se niinku, siellä ei pohdita hirveästi mitä on hyvä elämä tai mikä on kestävä kehitys tai mitään semmosta, niin tota tää on mun mielestä sellainen haaste meille itsellemme, että… mä oon siis ite yritysmaailmasta tullut niin mulla on sellanen käsitys monesti, et meidän ihmiset on pikkasen eksyksissä ymmärtämään mitä yritykset ajattelee ja miten yritykset toimii ja mitkä draiverit siellä on. Ja se aiheuttaa semmosia pieniä ongelmia, ehkä joskus isompia, et me tehdään lainsäädäntöä tästä meidän omasta moraalis-poliittisesta kehikosta lähtien, me ajatellaan, että olisi hienoa että yritykset tekisivät näin, tai sitten me mennään EU:hun ja esitetään kans, että olisi hienoa, että tehtäis näin. Mut sit kun lainsäädäntö tulee voimaan niin ei yritykset tavallaan, miten mä nyt sanoisin, ne ei niinku tottele vaan ne kattoo, et mikä se on, miten me eletään tän kanssa, miten me optimoidaan toimintamme tän suhteen, mitä toimintaa me panostetaan, mitä me vähennetään, ja tavallaan se logiikka on täysin eri kuin missä se laki on kirjotettu. Ja sen takia esim. tyyppiesimerkki nostetaan yritysverokantaa, niin siitä tietyllä todennäköisyydellä seuraa se että toimintoja siirretään Suomesta pois, siitä ei seuraa se, että me saadaan enemmän veroja. Tai voi seuratakin, mutta siitä aiheutuu erilaisia optimointi-ilmiöitä. Ja mun mielestä tää on se… näiden… jos me nyt ajatellaan että yritykset on meidän ulkoisia asiakkaita, niin tää on se mitä hirveen huonosti ymmärretään täällä ministeriössä, et.. mä väittäisin, että meillä on sellainen niinku naivi lähestymistapa tähän asiakaskuntaan.

Haastattelija: Sä nostit kiinnostavasti esille ton että se logiikka on väärä, mut pystyskö sille tekemään jotain. Ja jos, niin mitä?

Haastateltava 1: No, kyl… siis tähänhän on jo välineitä siis tämmösen tutkimiseen, siitä et mitä joku tietty lainsäädäntö aiheuttaa yrityskentässä, miten sitä lähetään optimoimaan, et on olemassa semmonen jopa tieteenhaara, oikeustaloustiede, joka tutkii tavallaan sitä et jos laki muuttuu jollakin tavalla, niin minkälaiset ne taloudelliset vaikutukset on, ja siinä ei pelkästään lähdetä siitä et jos me nostetaan veroprosenttia yhdellä prosentilla, niin verokertymä kasvaa yhdellä prosentilla vaan siinä otetaan myös huomioon määrälliset, erilaiset optimointiin liittyvät tekijät, jos mä heitän esimerkin tosta asunto-osakeyhtiölain muutoksesta, onkohan siitä kymmenen vuotta aikaa niin, Brax oli silloin oikeusministeri. Brax kiinnitti huomiota sellaiseen seikkaan, että as. oy:n osakkaiden asemaa pitää vahvistaa ja hallituksen velvollisuuksia pitää lisätä, informaatiovelvollisuus, huolellisuusvelvollisuutta, tämmösiä asioita. Ja se oli niinku tavallaan, perustu tämmöseen eettis-moraaliseen ajatukseen, mut siinä oli sellainen yhteys, että taloyhtiössä hallituksen jäsenet tulee niitä osakkaista eli osakkaita suojellaan heiltä itseltään, ja se aiheutti sitten taas esimerkiksi täällä Helsingin keskustassa semmosen, että taloyhtiöt on ruvennu pelkään hallitusvastuuta ne on ruvennu palkkaa ammattihallituksen jäseniä eli isännöitsijöitä siihen, ja tää ei suinkaan ollut tavoiteltu seuraus siitä lainmuutoksesta vaan tää on se seuraus että kun me omasta mielestä hyvässä hengessä tehdään joku laki, jolla me halutaan moraalisesti ohjata jotain toimintaa niin se saattaa sitten käytännössä johtaa siihen että siel avautuu joku mahdollisuus tehdä ihan erilailla sitä juttua ja sitten kehitys ottaakin semmoisen suunnan.

Haastattelija: Pitäiskö sitten lainvalmistelussa, vaikutusten arvioinnissa, alkuvaiheessa, niin olla asiakkaat mukana, jotenkin… että sais aikaisessa vaiheessa sen … tiedon, että mikä menee pieleen.

TEEMA: asiakasymmärrys

Haastateltava 1: No, joo…. se mitä mä itte asiassa ajan takaa niin on semmonen devil's attorney –tyyppinen lähestymistapa, et kun sä näät jonkun pykälän niin sä rupeet miettii, miten oikeesti joku yritysjohtaja reagoi tohon ja miten se alkaa optimoimaan toimintaansa, et jos sinne tulee joku lainsäädäntö tai pykälä, jossa meillä on… sanotaan että lisään vaikka yritysten velvoitteita johonkin… et mun mielestä täs on aika hyvä esimerkki tää näiden palvelun tuottajien velvollisuudet, jotka on tässä uudessa järjestämislaissa, missä säkin oot ollut mukana, niin hyvä virkamies kattoo, että palveluntuottajalla pitää olla tietysti paljon velvollisuuksia asiakkaisiin päin, laatuvaatimuksia ja sen pitää noudattaa hallinnollisia lakeja ja julkisuuslakia ja sen pitää käyttää valtion asiakastietojärjestelmiä jne. Sit jos sä istut siellä yrityksessä, sä katot, et ryhdytäänks me palveluntuottajaksi tommoseen, sit sä katot et siinä on pitkä lista kaikennäkösiä velvoitteita, me joudutaan muuttaa yrityksen prosesseja, me joudutaan perustaa erillinen toimi joillekin asioille käsittelee niinku rakentaa kaks järjestelmää esimerkiks jollekin jutulle, sit me joudutaan käsittelee salassa pidettäviä tietoja erilailla riippuen ketä ne koskee, niin tota, kun ei ole mitään pakkoa ryhtyä palveluntuottajaksi, niin silloin se yritys saattaa harkita, et okei, me saadaan tästä tän verran rahaa, onko realistista ajatella että me voidaan sillä rahalla muuttaa meidän systeemit vastaan tätä hommaa, ja se on sitten se päätöksentekotilanne, jossa ne miettii, lähteeks ne ollenkaan tohon. Ja tässä voi käydä sitten niin, et kun me ajatellaan asioita niinku moraalis-poliittisesta lähtökohdasta niin me halutaan tietenkin nostaa se rima mahdollisimman korkealle, niin siitä ei seuraa se et se rima nousee korkealle vaan siitä seuraa se että ei tule palveluntuottajia, koska ei niiden oo pakko sitä tehdä, ne voi tarjota sitä palvelua firmoina niinkun ne on aina tarjonnukin. Ja nää on mun mielestä tähän lainsäädäntöön liittyvä yks tämmönen kysymys, et…mä saatan olla väärässä, mut mulla on vähän semmonen fiilis että jos se tilaaja-tuottaja –malli rakennetaan painottaen tämmösiä niinku velvoitteita tietyissä suhteissa niin se ei välttämättä toimi ihan samalla tavalla. Toi, sote-palveluissa tilanne on vähän toinen, koska siellä käsitellään siis ihmisiä, sillä on ihmisten tietoja, niiden sairaustietoja, siellä on arkaluontosia henkilötietoja, se on hyvin sensitiivinen prosessi, sillä alalla toimivat yritykset on jo aika pitkälle sopeuttaneet toimintansa sen tyyppisiin sääntöihin, mä luulen et siellä sote-puolella se ei ehkä oo niin ongelma, mut tässä meillä kun tehdään yrityspalveluita ja… laaditaan tommonen rakenne, niin se kysymys mikä pitäisi esittää, minkä muuten yhdessä kokouksessa esitinkin, on sitten se että onko yritykselle realistinen vaihtoehto lähteä sellaseen toimintaa mukaan ollenkaan, et onks siinä kustannusasiat tasapainossa …tää on, miten mä sanoisin, tiivistän… sen ennakoiminen, miten yritykset optimoivat toimintaa, jos tällainen laki tulee voimaan.

Haastattelija: Onks sulla tähän ennakointiin liittyvä joku, mitä tehdään jo kenties tai mitä pitäisi tehdä?

Haastateltava 1: No, tässä on kysymys taloudellisista arvioista, kaikkeen lainvalmisteluun liittyy ajatus, tai se on kai jo ihan normeerattukin, että pitää olla tää käsitys taloudellisista vaikutuksista. Mutta se koskee yleensä tällaisia suoria taloudellisia vaikutuksia, siinä puhutaan budjettivaikutuksista ja ehkä jostain työllisyysvaikutuksista ja tämmösistä, mutta tavallaan niin se että siinä oltais menty pikkasen pidemmälle, just näihin tämmösiin optimointikysymyksiin, niin se ei oo niinku….

Haastattelija: Mua kiinnostaa tuo, kun sanoit, että ihmiset käyttäytyy sitten eri tavalla, niin millä tavalla sitä ehkä vois saada selville ihmisten mahdollista käyttäytymistä?

Haastateltava 1: Jos mietitään meidän hallinnonalan ulkopuolelta vaikka alkoholiveroa, tupakkavero, niin nehän on semmosia alueita missä nähdään tää ihmisten käyttäytyminen hyvin selkeesti. Jos me nostetaan alkoholiveroa siinä ajatuksessa että me parannetaan kansanterveyttä, ehkä lisätään valtion verotuottoja, ja sama tupakkapuolella, niin näin tietenkin tapahtuu jossain määrin, mut sit se mikä myös lisääntyy on tää verovapaa hankinta laivoilta ja matkoilta ja….

Haastattelija: Mut, tommostakin, niin… onko se niin että virkamiehet vain pohtii niitä skenaarioita vai kysytäänkö sitä haastatteluin ym. mahdollisilta, potentiaalisilta sen lain käyttäjiltä. Mä haen tätä niinku…

Haastateltava 1: joo… mä en usko että tässä on mitään prosessia, mä luulen et esim. toi alkoholilaki on varmaan semmonen et se on ihan puhdasta virkamiestyötä, et asetetaan jotain tavoitteita, voi olla että siinä kertymän määrittelyssä sitten, sanotaan että jos nostetaan kaks prosenttia, niin se kertymä ei välttämättä kasva kahta prosenttia vaan siinä ennakoidaan jo sitten että se todellinen kertymä on vaikka….

Haastattelija: Mutta se tehdään siis virkamiestyönä…

Haastateltava 1: Mun ymmärtääkseni se on näin, mut tää on STM:n alaa, STM:llä on varmaan, kun ne on kymmenii vuosia veivannu tätä, jo kokemusta miten nää toimii, mut toi on mun mielestä semmonen ala mis käyttäytymisen ennakointi niin, et siihen on olemas varmaan metodi, uskoisin, mä en tunne tota alaa, mut tyypillisesti sellanen alue missä tavallaan käyttäytymine… sanotaan näin, sä oot varmaan kans ollu niinku minäkin lukuisissa esim. häätilaisuuksissa, missä on niinku nuoripari on käyttäny monta kuukautta siihen et ne on seilannu tota Tallinnan väliä ja kasannu juhlajuomat, et tavallaan nää on semmosia optimointi –ilmiöitä. Täs meidän kentässä… periaatekysymys on aika samanlainen. Sit nää tota ulkomaantoimintojen verottaminen ja siinä liikkuminen, se on oma taiteenlajinsa, Panama-paparithan nosti tän kysymyksen esiin, et miten yritykset siirtelee konsernissa tuloja…

Haastattelija: Tossa on aika paljon … kuulostaa siltä, en tiedä onko näin, mutta kuulostaa…. vähän reaktiivista, että sitten kun on havaittu, että joku ei toiminutkaan niin sitten korjataan, mua askarruttaa, mietityttää, että … mikä olisi sellainen proaktiivinen, just niinku… nää virkamieskoneisto varmaan voi tehdä erilaisia skenaarioita, mietin, pystyiskö, onko relevanttia ottaa asiakkat mukaan siihen lainvalmisteluun jossain aikaisessa vaiheessa ja sitten, linkattuna esim. tähän kasvupalvelun järjestämislain valmisteluun, niin pystyiskö ottaa asiakkaat, jos meillä olis aikaa, nythän meillä on hirveen kova tahti, mut jos ois aikaa, niin miten näet, pystyttäiskö ottaa, olisko se relevanttia, millä tavalla?

Haastateltava 1: On se mun mielestä on relevanttia, mutta täytyy tietenkin muistaa että on sellasia tahoja jotka optimoi sitä omaa etua aika kylmästi, täytyy muistaa, ne puhuu omassa asiassaan, omaan suuntaansa, ja tietenkin se lopullinen harkinta pitää olla lainlaatijalla, että miten se laki kirjoitetaan, sitä ei tietenkään voi ulkoistaa, etkä sä sitä tarkoittanutkaan, mutta tota siinä niinku lobbauksen sivutuotteena me saadaan kuitenkin myös tietoa, miten yritykset toimii ja mun mielestä silloin kun puhtaan yrityskenttään tulevasta lainsäädännöstä, niin mun mielestä semmonen varhaisen vaiheen ennakointi ja nimenomaan tän et voiko olla niin et se toiminta ottaa jonkin ihan yllättävän suunnan, mitä me ei niinku siinä lainsäädännössä pysty tavallaan näkemään tai ottamaan huomioon, niin se riski pienenis toki sillä et me varhaisessa vaiheessa oltai siinä mukana.

Haastattelija: Onko tällaista tehty vai ei?

Haastateltava 1: Kyl jonkin verran tällaista kuulemista sisältyy ihan näihin normaaleihin lainsäädäntöprosesseihin, mutta se mitä mä niinku… tässä on tietty ehkä sellanen… et virkamiehet haluu sit kuitenkin … meillä on sellanen pitkä virkamiesperinne… halutaan suojata tietynlaista integriteettiä, puoluettomuutta ja kaikkee, ja pysyä erossa, olla puolueeton havaitsija ja olla ottamatta kantaa jokun puolesta jotain vastaan, kääntöpuolena mun mielestä siinä menetetään paljon tietoa, et meidän pitäis pystyy siihen et me voidaan olla tän asiakaskunnan kanssa enemmän tekemisissä, mutta sillä lailla kriittisesti, et me otetaan tietoa vastaan, mut me ei välttämättä purematta niellä sitä, ymmärretään se että mistä lähtökohdista he sen oman keissinsä esittää ja että he optimoi sitä omaa toimintaansa myös . Yks semmonen käytännön … tää tuli nyt julki tää IBM watson –juttu, joka…. jossa kymmeniä ihmisiä … itse asiassa useamman kuukauden töissä… niin mun mielestä tän tapaiset keissit, paitsi että niissä tulee joku tulos, et syntyy jotain yhteistyötä, perustetaan jotain toimintoja, niin sivutuotteena syntyy mun mielestä virkamiehille enemmän ymmärrystä siitä miten yrityksessä ajatellaan ja tää on ollu helvetin hyvä keissi erittäin monelle ihmiselle meidän organisaatiossa, että on nähty tavallaan sitä yrityksen päätöksentekoprosessia ja neuvotteluprosessia.

Haastattelija: Hei meillä alkaa aika loppua, mutta tähän loppuun kysyisin, että käytitkö niitä persoonakortteja siinä avuksi, kun luit…

Haastateltava 1: Ei, en mä oo hirveesti… I'm really sorry, mut mä voin nyt jälkikäteen kattoo…
(juteltiin vielä haastatteluprosessiin liittyen…)

Haastateltava 1: Nyt tuli vielä tällainen kuolematon idea… kun mä aluksi sanoin, että muotoilu on…. niin eräässä mielessä tämä lainsäädäntö on samassa asemassa silloin kun puhutaan yrityksiin liittyvästä lainsäädännöstä, se määrittelee sitä yksityisen ja julkisen rajapintaa, että ehkä Jobsilla oli jotain annettavaa siinäkin asiassa.